City of Regina (Saskatchewan, Canada)

2016 Annual Report

Year-end December 31, 2016

City of Regina | REGINA
Infinite Horizons

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Saskatchewan

For its Annual
Financial Report
for the Year Ended

December 31, 2015

Jeffrey R. Esser

Executive Director/CEO

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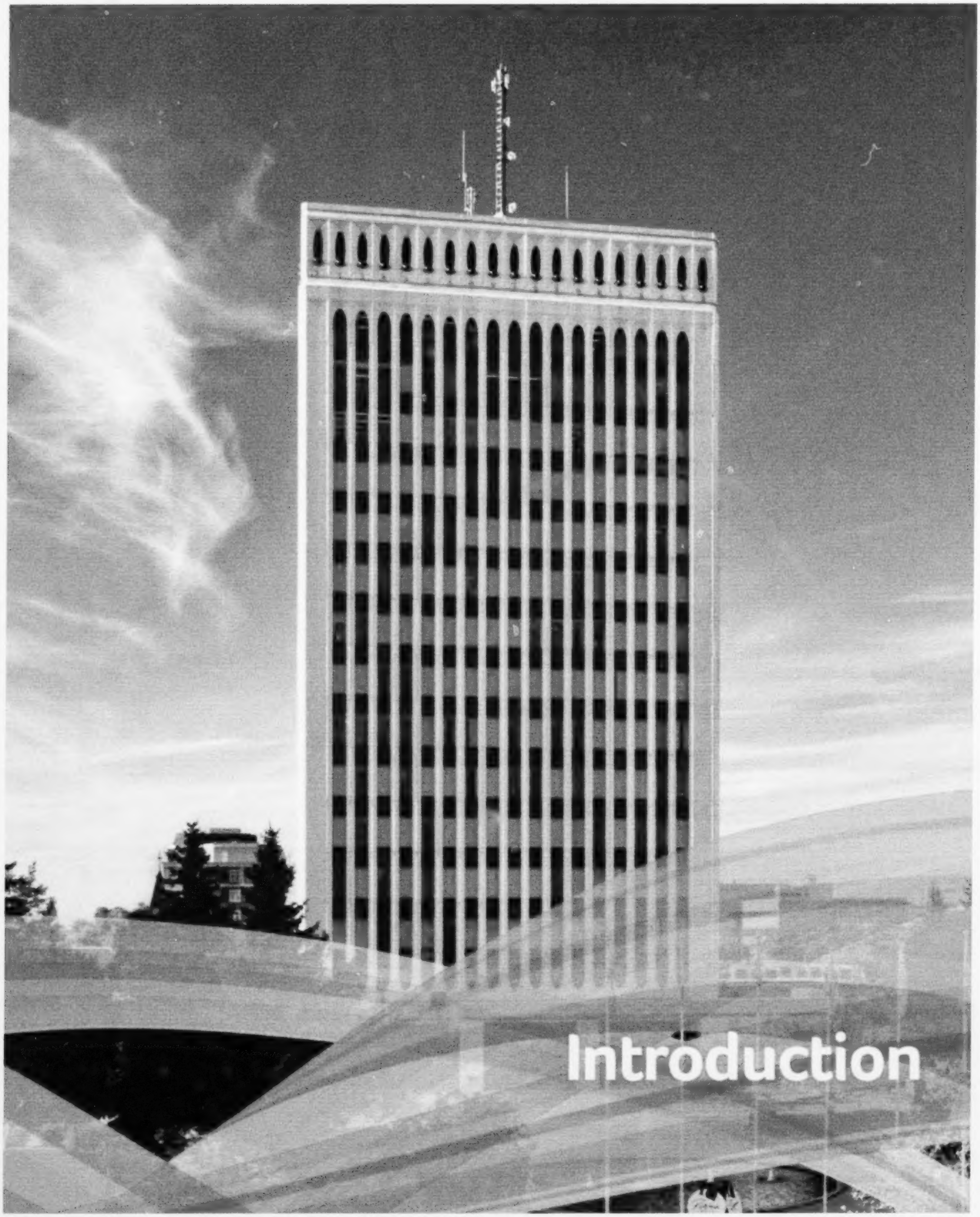


Introduction

INTRODUCTION

Message from the City Manager

May 29, 2017

His Worship, the Mayor and Members of City Council

I am pleased to submit the City of Regina's 2016 Annual Report, pursuant to Section 155 of *The Cities Act*.

In April, the City of Regina approved its amended 2017 Budget. The budget included recognition of some key risks in our operating environment and made difficult choices to address our understanding of the costs required to support our programs and services. We are working hard, in this new fiscal environment, to identify how to maximize our ability to meet the needs of residents in an affordable way, while also assuring the sustainability of our service levels.

I am proud to say that the City of Regina is adopting best practices in strategic and operational performance. As in past years, the Annual Report describes our progress. It meets our commitment to the public to report our progress on *Design Regina: The Official Community Plan* (OCP). We also report progress on our strategic plan. For 2016, we have included the results from our first participation in Municipal Benchmarking Network Canada (MBN Canada), a national program that allows us to understand our effectiveness and efficiency in comparison to other municipalities. Over the next two years, our reporting will grow to comprise all our services covered by the MBN Canada system. Our measurement systems in all areas will continue to evolve in the coming years.

The Annual Report also includes consolidated financial statements for the City of Regina as required by the Public Sector Accounting Standards Board (PSAB) along with financial, statistical and other information about the City of Regina and its related entities.

The City of Regina is committed to strengthening our planning and increasing transparency through improved public reporting processes. The result will be more informed long-term decision-making on behalf of all residents. Ultimately, residents, City Council and City Administration will be more informed about the service levels we provide, how to pay for them and how to identify opportunities that improve services and/or reduce our costs.

Respectfully submitted,

C. Holden

Chris Holden
City Manager

Message from the Mayor

May 29, 2017

Dear Regina citizens,

On behalf of City Council, I am pleased to present to you the 2016 City of Regina Annual Report.

As we look back on 2016, we see a banner year for our city in a number of ways. Census data for Regina tells us we are one of the fastest-growing cities in all of Canada, with the city. Regina and the surrounding area grew by almost 12% between 2011 and 2016, far outpacing the national average of 5%, and almost doubling the growth rate of Saskatchewan as a whole. In that span of time our population has grown by almost 20,000 people.

This data confirms what we already knew. We have watched our city grow and change over the years, and we have been working for years to ensure that the City is able to meet those challenges. We continue to work on a number of projects and measures that help address our sustainability from both a planning and a financial standpoint.

This past year also saw a new City Council elected that is focused on meeting the priorities of our residents during a time of continuing growth. That is why we began formulating ideas in 2016 for what a new Core Services Review could look like. This would entail a detailed analysis of each programming area and service delivered by the City, with an eye towards maximizing efficiencies and determining optimum service levels. This could reduce costs and help create a culture of continual improvement.

We have also seen our first year of results from our participation in a national performance benchmarking program. The first 15 out of 28 service comparisons show that we are performing well when compared to other Canadian cities. In the next few years, this program will help us determine how effectively and efficiently the City delivers services, help us plan and budget, and continuously improve the value we provide to Regina residents.

Progress continued on our major projects in 2016. Both the new stadium and the Wastewater Treatment Plant achieved substantial completion on-time and on-budget. The Treatment Plant was completed with a $6 million savings as well. A successful test event at the new stadium found the facility performing well with no major issues. A second test event has now been announced ahead of this summer's grand opening. We have also taken significant steps forward in the planning for the Railyard Renewal Project, which aims to redevelop 17.5 acres of land north of the downtown.

Council is also making progress on a major social priority by working on Reconciliation Regina, a community partnership aimed at responding to the Truth and Reconciliation Commission's Calls to Action. We have begun planning for a major city-wide effort, contacting community leaders to determine their interest.

We have also made strides towards reconciliation with the soon-to-be-complete Mâmawêyatitân Centre, the effort to provide heritage designation to the Regina Indian Industrial School cemetery, and our continued work to provide incentives to First Nations and Metis housing companies for the construction of affordable housing units.

The City's first-ever Cultural Plan was also approved by Council in May. This 10-year plan will help clarify the City's role in supporting the development of the arts, cultural heritage, cultural industries, and inter-culturalism. Combined with a successful Mayor's Symposium for Cultural Industries, we have seen significant enthusiasm on the part of our cultural community for this guiding document.

There are many more worthy items contained in this report that I could mention, but I encourage all Reginans to take the time to peruse this document and learn more about what the City of Regina has accomplished in 2016. Our successes are your successes, and we rely on feedback from the public to ensure we remain on the right track. As the most accessible level of government in Canada, we look forward to hearing directly from you, be it through our monthly City Council meetings, through communications directly with myself and City Councillors, or through social media.

Sincerely,

Michael Fougere
Mayor

Vision, Mission and Values

City Council and the administration are committed to meeting our community's goals. In 2013, the City adopted a new Official Community Plan, *Design Regina.* That plan, which outlines the Community's priorities and the policy goals and actions to be achieved over the next 25 years, was based on our Vision and Values and has become the foundation for our strategic planning.

Our Vision

Canada's most vibrant, inclusive, attractive, sustainable community, where people live in harmony and thrive in opportunity.

- **Vibrant:** Young people and creative spirits are inspiring dynamic neighbourhoods and an exciting downtown, all of which feature first-rate facilities for health, wellness and artistic expression.
- **Inclusive:** Our community welcomes people. We live the values of respect and trust and celebrate the strength that comes from our diversity.
- **Attractive:** Residents and visitors choose Regina because it's clean, green, lively, friendly, affordable and fun.
- **Sustainable:** People forge a balance between the economic, social, environmental and cultural dimensions of their decisions by serving as stewards of the resources we share and by demonstrating leadership.
- **Harmony:** Empathy and understanding come from, and lead to, being safe in our homes and neighbourhoods; building strong social networks throughout the community creates synergy and sense of belonging.
- **Opportunity:** The entrepreneurial spirit powers Regina as a centre of success where research, innovation and excellence abound.

Our Mission

The City of Regina contributes to its citizens' quality of life by providing services and infrastructure at a level and of a quality that is sustainable.

Our Values

- **Performance Driven & Accountable:** We all demonstrate leadership qualities. We instil a sense of mutual responsibility, open communication and teamwork while being accountable to each other, our community and Council. Our efforts are performance driven and outcome based.
- **Responsive & Respectful:** We cultivate a professional environment by being responsive and respectful in our conduct and interactions. We focus on safety, diversity and mutual respect.
- **Innovative & Creative:** We continuously improve by promoting innovative approaches to our work and how we serve our community and Council. We are creative, purposeful and take measured risks which results in new ways of doing business and being cost effective.
- **Focused on Excellence:** We are results oriented, providing excellent, responsive and accessible service.

City Council

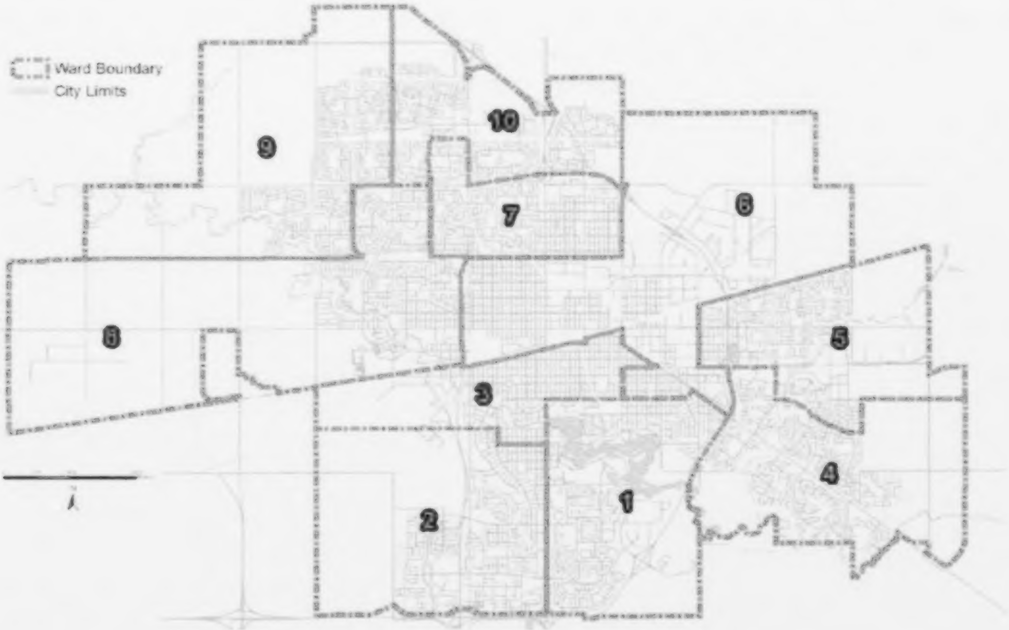
City Council is responsible for the governance of the City of Regina, subject to Provincial legislation. Members of City Council are elected every four years in a municipal election with the last held October 26, 2016. The City of Regina uses a ward system for electing Regina City Council, with the City divided into 10 wards. The Mayor is elected at large and one Councillor elected in each ward. City Council's primary responsibility is to provide policy direction for the operation of the City. Council also sets the long-range service goals, and approves operating and capital budgets.

The Mayor presides at all meetings of City Council and is the ceremonial head of the municipal government. The Mayor and City Clerk are the municipality's symbolic and official signing officers, respectively. City Council members for the 2016-2020 term are shown in the picture below.

City Council members for the 2016-2020 term are:

L-R: Councillor Joel Murray, Councillor Lori Bresciani, Councillor Bob Hawkins, Councillor Barbara Young, Councillor Jerry Flegel, Mayor Michael Fougere, Councillor Andrew Stevens, Councillor Sharron Bryce, Councillor Mike O'Donnell, Councillor Jason Mancinelli, Councillor John Findura

Map of Electoral Wards



Major Highlights of 2016

Stadium Substantial Completion & Test Event

In 2016, the new Mosaic Stadium achieved a key milestone, substantial completion. On a sunny afternoon in front of an announced crowd of 16,500, the University of Regina Rams defeated the University of Saskatchewan Huskies 37-29 as part of an event to test the new facility. Excited fans in attendance were thrilled by the new stadium and the test revealed no major issues.

Operationally, there were very few glitches. Comments from fans on social media indicated how impressed they were with the ability to move around freely and the luxury of being able to meet friends no matter where they were situated in the stadium. In what was also a test of the transportation and parking strategy for the new facility, almost of fans used public transit.

Wastewater Treatment Plant Substantial Completion

In December 2016, the Wastewater Treatment Plant also achieved substantial completion. All new processes were online and in service. By year-end, the final stages of commissioning were nearly finished with the plant undergoing performance testing.

The plant was developed through a P3 partnership with EPCOR. The plant upgrades and new construction enabled the City of Regina to meet the province's effluent requirements that took effect on January 1, 2017 and will accommodate community growth and improve the water quality for downstream communities.

The Wastewater Treatment Plant project was one of the largest construction projects in Regina's history:

- 685,000 – Total construction hours worked from July 2014 to December 2016
- 3,000 – Safety meetings
- 12,000 – Metres of cable installed for the main electrical system
- 275,000 – Cubic metres of soil excavated
- 1,775,000 - Kilograms of reinforced steel bar installed at the plant
- 8,000 – Metres of electrical conduit installed at the plant

Regina's new Wastewater Treatment Plant

Reconciliation Regina

The City of Regina has established a partnership with the Office of the Treaty Commissioner to work with community partners and stakeholders to identify strategies to respond to the Truth and Reconciliation Commission Calls to Action. While this partnership is only in its early days, already a number of actions have been taken by the City, including:

- Mâmawêyatitân Centre, which is located in Regina's North Central neighbourhood, is a partnership of the City of Regina, the Regina Public School Board, and the Regina Public Library along with government entities and community stakeholders. The Centre supports a new way of providing community leadership through an integrated approach to program and service delivery.
- The cemetery at the site of the former Regina Indian Industrial School was designated as a Municipal Heritage Property as a result of extended consultation with community stakeholders. *The Cemetery Designation Bylaw* provides a detailed description of the maintenance requirement, which is the responsibility of the property owners.
- First Nations and Métis housing providers, including, most recently, Namerind Development, are recipients of housing incentives for the development of affordable housing.
- Since the approval of the City's Housing Strategy in 2013, Aboriginal organizations have accessed City initiatives for the development of 64 new, affordable rental units that are complete or underway.

Design Input on the Railyard Renewal Project

The City of Regina is leading the planning and redevelopment of the 17.5 acre (7 ha) Railyard site in the centre of the City, formerly occupied by a Railway intermodal facility. Over the next 10-15 years, the Railyard site will be transformed into a vibrant mixed-use area that complements both Downtown and the Warehouse District. Ideas are now taking shape for a dynamic, mixed-use area that will complement both Downtown and the Warehouse District.

Around 200 residents attended an open house in May, 2016 to review three redevelopment concepts for the Railyard site, based in part on feedback from previous consultations.

Since then, over 700 people have provided feedback through an online survey. Feedback on the three concepts are informing and guiding our next steps as we implement this project. Collaboration with land owners, internal and external stakeholders and the public will help ensure plans reflect a collective vision for the site.

Notifynow

The City launched its first emergency notification system, Notifynow. With the push of a button, the City of Regina can reach thousands of residents with necessary and timely information to help ensure their personal health and safety. Notifynow lets residents know what to do, where to go and what to expect during an emergency with a message sent directly to landlines, cell phones or email addresses. Residents can sign up to the notification system and set up how they want to be notified in case of an emergency.

Partnership with the University of Regina to Support the Revitalization of the College Avenue Campus

The University of Regina has developed a plan to revitalize the historic College Avenue Campus for a second century of use by the citizens of our community and the province. The University plans to preserve and upgrade its historic structures, transforming the campus into a vibrant and accessible centre for learning while honouring the legacy created by the citizens of Regina who were its founders. The University has committed that revitalization efforts will respect the current College Avenue streetscape, the heritage character of College Avenue Campus and historic Wascana Park.

While Wascana Centre Authority has jurisdiction for all planning decisions associated with the College Avenue Campus, including heritage conservation, the City of Regina contributed to the innovative plan by donating a piece of land to the University. This donation has allowed the University to enter into an agreement with Conexus Credit Union, who will develop the land at their cost (subject to Wascana Centre Authority's oversight). In addition to the cost of development, Conexus will provide a contribution of $8.25 million to the University's College Avenue Campus Project. Conexus will also create a business incubator on the site. It is anticipated that significant cost avoidance for elements of the University's Project (both at Darke Hall and the College Avenue Campus Building) will also be achieved.

Launch of Municipal Benchmarking Network Canada Participation

In 2016, the City of Regina participated for the first time as one of 16 municipalities in Canada that partner in this national performance benchmarking. By the end of 2018, Regina will report on all 28 of its services that align with the system. In this first year, the City reported on the performance of 15 services. Overall, Regina is performing well when compared to other municipalities in Canada.

Regina joined the benchmarking network to:

- measure how effectively and efficiently the City delivers services
- guide the City in planning, budgeting and service delivery
- assess trends in the City's performance over time
- assist in continuously improving the value provided to Regina residents

Regina Cultural Plan

Through an extensive research and community engagement process, Regina's first cultural plan was approved by City Council in May, 2016. The plan will help to clarify the City of Regina's role in supporting the development of the arts, cultural heritage, cultural industries and inter-culturalism. The focus of the plan is the achievement of three Goals; to Embrace Cultural Diversity, Strengthen the Artistic and Cultural Community and to Commemorate and Celebrate Regina's Cultural Heritage.

The Regina Cultural Plan's goals each come with objectives and detailed actions for implementation over the course of the 10-year plan.

Development of monitoring and evaluation tools for the Plan is the first step in implementation to be determined through a collaborative process involving impacted City departments and the community, who share responsibility for the plan's successes.

Adoption of the Regina Cultural Plan provides the City with strategic directions and implementation plans for building community partnerships to achieve strong community.

Outcomes of fostering creativity, creating wealth, creating quality places, strengthening social cohesion and promoting organizational change within the City. Further, the Plan will aid Council in their decision-making on a range of capital and operating investments related to the work of the City of Regina and the community.

Hauled Wastewater and the Wastewater and Storm Water Bylaw

With the completion of the new Wastewater Treatment Plant, and the elimination of lagoons from the wastewater treatment process, the City has had to address some issues to avoid introducing materials into the treatment process that will damage the plant.

In 2016, a new hauled wastewater receiving station was constructed. This station will operate on a full cost recovery basis.

A new bylaw, *The Wastewater and Storm Water Bylaw*, was established in the interest of protecting the integrity of the new Wastewater Treatment Plant. The bylaw regulates the operations of the Hauled Wastewater Facility. It limits weeping tile discharge into the sewer system for new and infill construction. The bylaw also restricts or limits potentially harmful substances in wastewater.

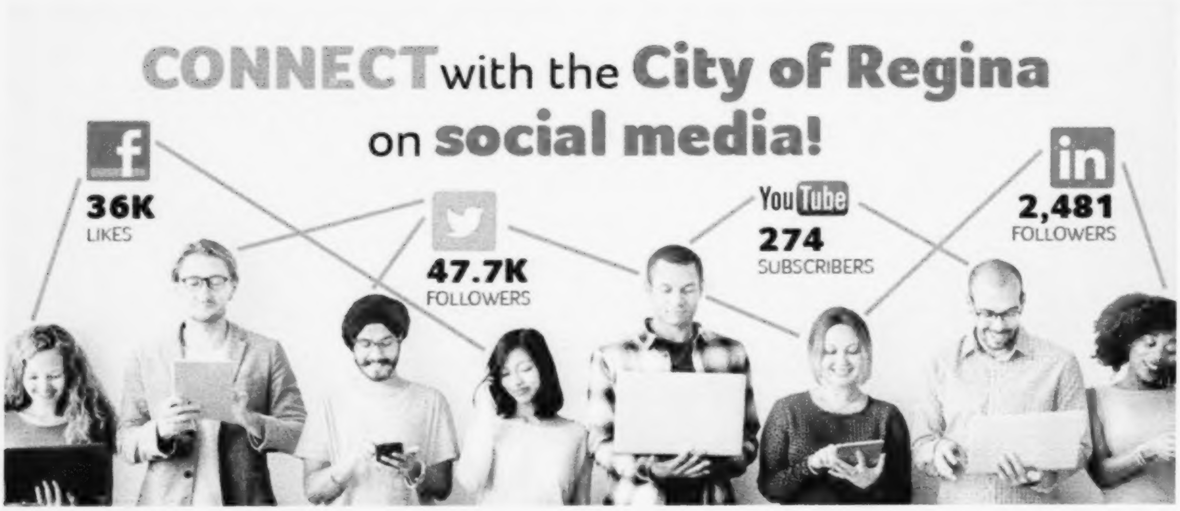
Social Media

Regina's social media presence continues to grow and is among the primary ways that we communicate to residents and that residents communicate to the City. The City of Regina continues to operate at the innovation forefront in social media.

For example, prior to finalizing the 2017 Budget, the City's Chief Financial Officer participated in a one-hour "Ask Me Anything" Twitter session. The City was recognized for this effort by Moments Canada, a national body that monitors the best of what's happening on Twitter.

As a summary of our social media presence, in 2016, the City had:

- 1,800 Tweets and 7,400 Twitter engagements
- 833 Facebook posts and 78,000 Facebook engagements
- Social media followers increased substantially
    - +10,496 Twitter followers (total 46,341)
    - +3,843 Facebook followers (total 35,702)


CONNECT with the City of Regina on social media!
36K
LIKES
47.7K
FOLLOWERS
You Tube
274
SUBSCRIBERS
in
2,481
FOLLOWERS

The Environment in Which We Work

Community Profile

The City of Regina is Saskatchewan's capital. It has a population of 215,000 and serves a larger metropolitan area of 236,000. The community has been affected by over a decade of strong growth in its resource-based economy.

Between 2011 and 2016, the City's population increased by almost 25,000 or 12% and was one of the fastest growing major cities in Canada. *Design Regina: The Official Community Plan* (OCP) projects the population will grow to 300,000 in the next 25 years.

While Regina is the provincial capital and has a large public service sector, it also depends on a resource-based economy featuring the oil and gas, potash and agricultural sectors. Regina is the home base for companies such as the Co-op Refinery Complex, the world's first cooperatively-owned refinery; EVRAZ, a vertically-integrated steel, mining and vanadium business; and Viterra, a leading grain and oilseeds marketer and handler.

The City also serves as head office for several provincial Crown corporations including SaskEnergy, SaskPower, SaskTel and SGI CANADA.

In recent years, Regina has continued to diversify into sectors such as banking and finance, computer and information technology, manufacturing and telecommunications. These factors have led to one of Canada's strongest economies from 2005 to 2015, reflected in strong growth in gross domestic product (GDP), low unemployment and rising personal income levels.

The intense pace of Regina's growth in recent years leveled off in 2015, resulting in a relatively slow growth forecast through to 2021 (Figure 1). One of Regina's economic highlights is the construction sector, where building permits reached an all-time high in 2012 and continue to outpace the ten-year average (Figure 2).

Regina Economic Indicators	**2014**	**2015**	**2016**	**2017f**	**2018f**	**2019f**	**2020f**	**2021f**
Real GDP at Basic Prices (2007 $ millions)	14,053	13,975	14,004	14,225	14,481	14,718	15,058	15,365
Percentage Change	3.4	-0.6	0.2	1.6	1.8	1.6	2.3	2.0
Total Employment (000s)	137	138	139	141	142	143	146	148
Percentage Change	0.4	0.9	0.9	1.2	0.9	0.9	1.6	1.3
Unemployment Rate (per cent)	3.7	4.4	5.3	5.3	5.1	5.0	4.9	4.8
Personal Income per Capita ($)	51,386	53,467	54,048	54,642	55,792	56,752	57,989	58,141
Percentage Change	-0.9	4.0	1.1	1.1	2.1	1.7	2.2	2.0
Population (000s)	237	241	246	251	255	260	265	270
Percentage Change	2.5	1.9	2.0	2.0	1.7	1.8	1.9	1.9
Total Housing Starts	2,223	1,597	1,637	1,401	1,479	1,566	1,699	1,804
Retail Sales ($ millions)	5,515	5,388	5,592	5,634	5,738	5,828	5,961	6,069
Percentage Change	4.6	-2.3	3.8	0.8	1.8	1.6	2.3	1.8
CPI (2002 = 1.0)	1.297	1.315	1.331	1.354	1.382	1.412	1.442	1.472
Percentage Change	2.3	1.4	1.2	1.7	2.1	2.1	2.1	2.1

Figure 1: Regina's economic indicators from the Conference Board of Canada *Winter 2017 Metropolitan Outlook*

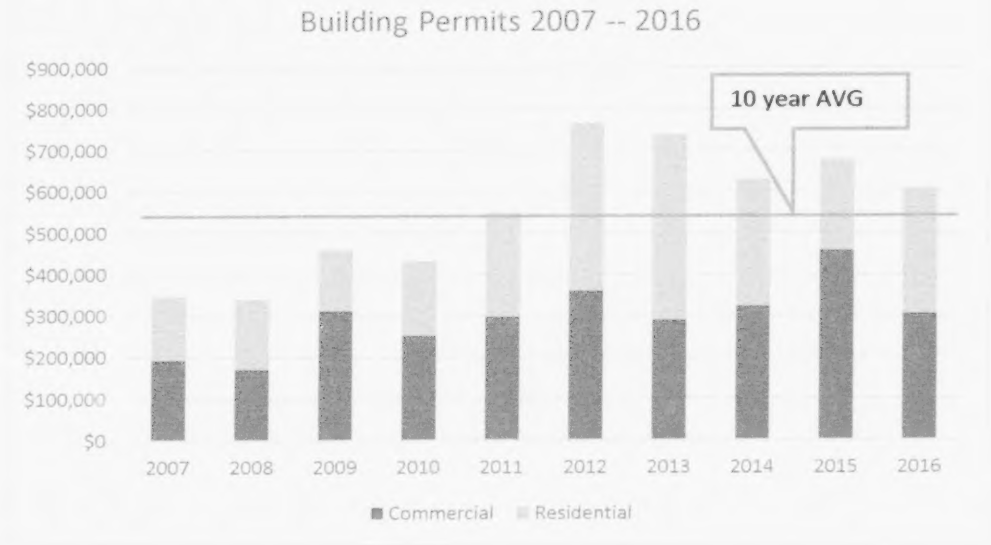


Figure 2: Building Permit activity (2007-2016)

Organization Profile

The City delivers its services in a variety of ways, led by approximately 2,500 permanent employees, as well as casual and part-time workers who account for the equivalent of another 350 full-time positions. Many services are also delivered in partnership with community organizations, such as sport, culture and recreation programs, and by private businesses, such as Paratransit and the Wastewater Treatment Plant.

City services include:

- Public safety and security
  - Policing
  - Fire protection
  - Construction permitting and inspection
  - Bylaw enforcement
- Quality of life
  - Urban planning and development
  - Parks
  - Recreation services (including a wide range of indoor and outdoor public facilities)
  - Grants to community service organizations
- Public health and well-being
  - Water treatment and distribution
  - Drainage and flood management
  - Wastewater collection and treatment
  - Solid waste collection
  - Recycling
- Movement of goods and people
  - Roads and bridges (including winter road maintenance)
  - Transit
  - Traffic control

The City is able to provide these services thanks to a range of revenue sources. While about half of its revenue comes from property taxes, the City also charges user fees, secures grants from other levels of government and collects revenues from a variety of other sources.

The City's organization structure is designed to support corporate planning and coordinated service delivery across all service areas (Figure 3). Accountability for results is clear.

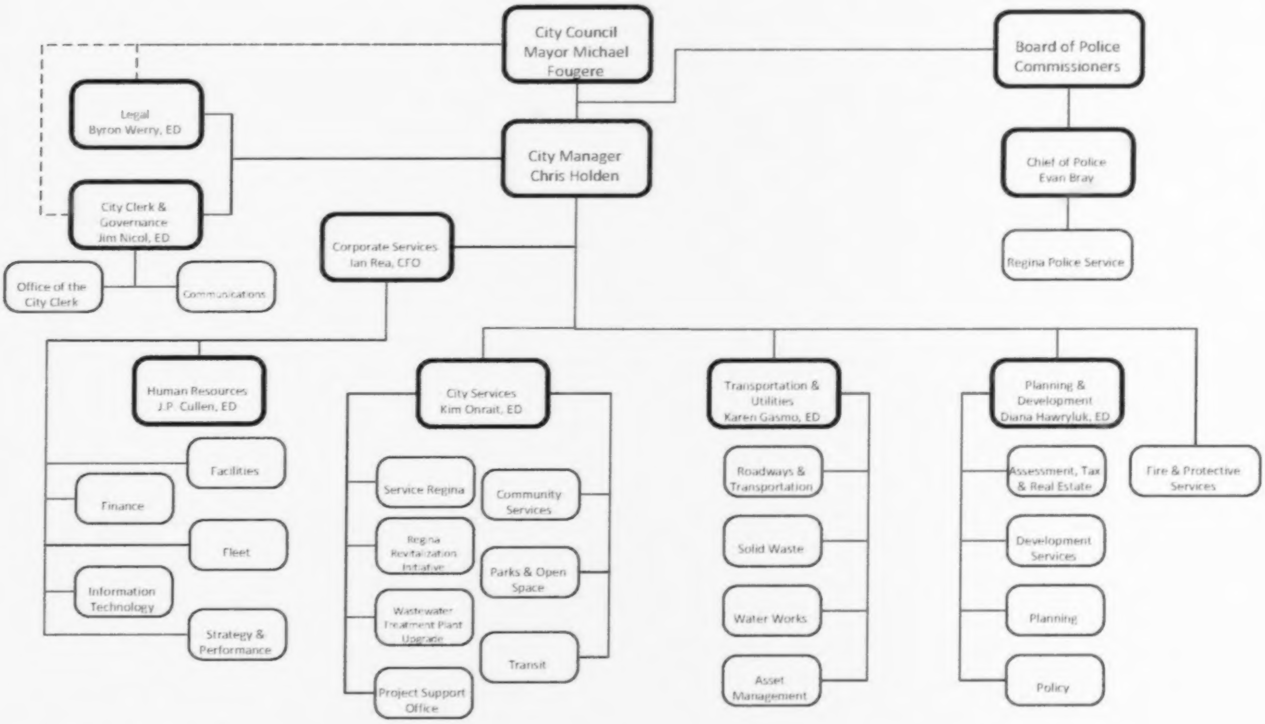


Figure 3: City of Regina organization structure (2016)

Strategic Context

In 2014, when the strategic plan was first developed, the City of Regina was at the peak of a period of extended economic growth. Population growth was strong and unemployment was the lowest in Canada. Rental vacancies were hovering around 1%. The labour market was highly competitive and the City was challenged to attract workers at a reasonable cost to taxpayers. Costs were growing faster than revenues, even with growth in the number of assessable properties.

Moreover, the City had grown by using excess capacity from infrastructure developed in the 1970s and had reached the limits of that excess capacity. Significant new investment was required to allow Regina to grow to the next level.

Particularly in this period of growth, demand for services was outpacing the City's capacity to deliver those services. In an effort to keep fees and taxes affordable for residents, the City's historic response to this imbalance had been to defer the renewal of assets and infrastructure.

Two decades of deferral had created a backlog of necessary infrastructure renewal that, in 2012, the City estimated would take an additional investment of $93 million per year for 20 years to address. This included such things as the renewal of residential roads, recreation facilities, and the various facilities in which the City conducts its business. It did not include the maintenance and renewal of new assets such as those in new neighbourhoods.

In due course, if left unresolved, this backlog will severely impact the City's ability to safely and effectively deliver service.

As part of the 2016 planning, the Executive Leadership Team of the City of Regina reviewed the strategic plan, paying particular attention to changes in the economic environment. Despite some of the changes in the environment, many of the issues the City was facing remained the same. Ultimately, no changes were made to the strategic plan as a consequence of this review.

Strategic Review

Initiated by a stark drop in international oil prices, the province's economy has shown signs of faltering. Issues that were front and centre when the economy was booming have been tempered. For example, apartment vacancy that was below 1% just a few years ago has increased to the City's target level of 3%.

The unemployment rate, which was as low as 3% just a year ago, created challenges for the City to recruit skilled tradespeople. This issue has recently moderated, with the unemployment rate rising to 4.3% and recruitment and retention has improved. However, even with increased flexibility in the labour force, Regina continues to have one of the lowest unemployment rates in the country and demand for workers remains high.

The reality is that the delivery of services to Regina residents is dependent on people. More than half of the City of Regina budget is spent on employee salaries – people who drive buses, pick up garbage, suppress fires, pave roads, clear snow, and teach swimming lessons.

While labour market issues have eased somewhat from 2014, one-third of the City's workforce is eligible to retire in the next six years. This issue makes improved efforts in employee recruitment and retention even more important.

The robust economy of the past decade, while of great benefit to the community, has created significant pressures for the City of Regina. Revenues are growing as a result of growth, however, as was the case before the current strategic plan, not as quickly as costs.

The City of Regina will need to determine how to improve revenue growth in the context of responding to the population growth of recent years. The City will also need to consider how to reduce costs. A key element of this effort will be to develop policies, incentives, and programs that will improve the population density of the community. If some of the new population coming to Regina can be accommodated without building new roads, sidewalks, and other infrastructure, costs will be managed more effectively.

Key Risks Facing the City of Regina

There are a number of risks that, if realized, could affect the City's ability to sustain current service levels. There are three risks with potentially significant impacts.

Asset condition: In the absence of thorough asset condition information, there is a risk that one or more assets could deteriorate or even fail, resulting in an interruption or reduction in service levels to citizens.

The development of good asset condition information and plans to address asset weaknesses is a priority for the City. This was a focus of activity in 2016 and will continue.

Succession planning: In the economic environment, prior to the development of the strategic plan, of low unemployment and rising incomes, the City was poorly positioned to compete in the labour market. While labour market pressures have eased, one-third of the City's workforce is eligible to retire in the next six years. Not only will the City need to recruit replacement workers, it will also lose significant experience and service knowledge.

A key element of the City's strategic plan to deal with the recruitment and retention of employees will include strategies to ensure they have the knowledge, skills and abilities to meet the service expectations of Regina residents.

Slowing Economy: The City of Regina secures resources to deliver services to residents in a variety of ways. The main revenue sources of are property taxes, user fees for municipal services and government grants. While property taxes are structured so that they are at a reduced risk of decline through periods of low economic growth, other sources of revenue are not.

Activities such as utilization of the City's recreation facilities are discretionary family expenditures and participation levels are impacted by changes in personal income. Grants from other levels of government are also at a higher risk of decline. In addition, other levels of government, in dealing with the challenges of a changing economy, may transfer some areas of service delivery and asset management to the municipal level.

This results in difficult decisions for the City that are often required to be made more quickly than desired. Major changes in revenue and responsibility with little advance notice can impose a high level of risk on the City's ability to follow through on the delivery of its plans.

In periods of slower economic growth, other levels of government may also choose to increase funds available for new infrastructure to stimulate the economy. The City is well-positioned to take advantage of these opportunities to leverage additional funding for infrastructure renewal.

Planning Our Future

Design Regina: The Official Community Plan

At the culmination of a four-year planning process, the City adopted *Design Regina: The Official Community Plan* (OCP) in 2013. Traditionally, Regina's OCP has served primarily as a land use plan. In addition, the OCP includes broad social, economic, environmental, cultural and other important policy goals. These goals were established in response to eight Community Priorities which expand upon the City's Vision and articulate what the City and the community wish to achieve together. The Community Priorities and resulting policy goals are intended to be achieved as Regina grows to 300,000 people.

The OCP directs growth and change in the community over a 25-year period. The development process included extensive public and stakeholder engagement in creating a plan to address the community's priorities. The resulting plan presents a bold vision for what a Regina of 300,000 people will offer residents and visitors. Achieving the full scope of the OCP will take leadership on the part of City Council and Administration and require action from other business, industry stakeholders and the community at large.

Overview of the Plan

The OCP is the City's highest order plan and the basis upon which other policies and plans will be developed.

The city-wide plan of the OCP consists of three major components: a set of financial policies which establish a framework for ensuring the long-term financial sustainability of the City; a growth plan that directs where and how growth will occur; and, citywide policy sections that speak to various topics directly and indirectly related to the growth plan.

The OCP was developed with several subordinate plans of which many are complete or in development. Those subordinate plans are not typically referenced, but they remain the mechanisms through which the OCP will be realized. Such documents as the Open Space Management Strategy, the Urban Forest Management Strategy and the Recreation Facility Plan will continue to guide the City and will respond to the goals and policies of the OCP. Future updates to those documents will be based on the OCP, as will development of new strategies and plans.

Plan Outcomes

The OCP will be implemented over the next 20-30 years and is intended to result in the following changes, organized by Community Priority.

Develop complete neighbourhoods

- New neighbourhoods and revitalized existing neighbourhoods that provide:
    - Multiple transportation options, including roads and express transit, cycling, and pedestrian routes
    - A variety of housing types and sizes
    - Easy access to the daily life necessities such as shopping, employment, parks
- Connected community destinations, such as activity centres and parks, to enable walking, cycling and other active ways of getting around

Embrace built heritage and invest in arts, culture, sports and recreation

- Recreational programming and spaces that address the changing needs of the community
- Protection of existing neighbourhood character while also providing opportunities for new housing options
- Improved civic identity and pride with increased focus on traditions, historic places, and stories
- Increased awareness and encouragement of cultural activities, places and their value

Support the availability of diverse housing options

- Increased housing supply
- Improved diversity of housing throughout the City
- Availability of additional housing options including family-sized rental units, compact "micro-apartments", and housing for those with specific-needs
- Renewal of housing to revitalize existing neighbourhoods
- Create better, more active ways of getting around
- Expansion of on and off-street pathways
- Increased use of transit and carpooling, as well as walking, cycling, and other active modes of transportation
- A transit system that features more express buses and/or additional buses on existing routes, and consideration of a future rapid transit system
- Improved winter road maintenance to address the needs of seniors and people with disabilities

Promote conservation, stewardships, and environmental sustainability

- Become a resilient city through greater energy efficiency, reduction of greenhouse gas emissions, green building design, access to locally produced food, and diverse sources of power and energy
- Enhanced green space, urban forests, and tree canopy
- Improved protection of our urban natural spaces and species, including water bodies, parks and wildlife

Achieve long-term financial viability

- Growth in new areas as well as development within the existing City
- Improved use of existing roads, pipes, and other City infrastructure in the provision of water, collection and management of solid waste, management of storm water, etc.
- New and existing developments contribute fairly to the cost of new and existing City facilities and services
- Seek new and innovative tools and methods for financing the construction and maintenance of infrastructure
- Introduction of financial policies to guide the implementation of the plan and its policies

Foster economic prosperity

- A thriving City centre that is supported by better transportation connections between downtown, surrounding neighbourhoods, and the new Mosaic Stadium
- Coordinated commercial and industrial development within the City and the broader region
- Create a more beautiful City through better design of neighbourhoods, public spaces, and buildings
- Better solutions for worker housing
- A more diverse and sustainable economy

Optimize regional cooperation

- Collaboration with neighbouring communities to explore opportunities for shared services, such as infrastructure, recreational programs, etc.
- A transportation system that links to the broader region
- Proactive planning with the Rural Municipality of Sherwood for a City population of 500,000, focusing on areas of mutual strength and benefit

Strategic Plan

In many ways, the City will deliver on the policies of the OCP simply by doing what we do best – delivering reliable services to the residents of Regina. We will continue to work to effectively and efficiently deliver the services residents expect.
However, the *Design Regina* vision and policy goals will require more than just continuing to do what we have always done.

The City's four-year strategic plan, *Building the Foundation*, represents the first in a series of strategic plans that will, over the next 25 years or so, ensure we make the required changes to truly transform the City from what it is today to the City envisioned in *Design Regina*. The plan lays out the critical first steps so that the City will be well-positioned to deliver on the OCP in the future.

Building the Foundation represents the City's early choices in response to three drivers:

- Policy directions identified in the OCP that can be directly addressed in the short term
- Internal organizational systems, tools, and capacity – strengths and weaknesses that must be leveraged or addressed in support of the future implementation of the OCP
- External economic and social environment factors – opportunities and threats that must be advanced or mitigated to assure the future realization of the OCP.

The strategic plan provides the framework for all areas of the City to align their efforts and resources to focus on a few essential outcomes.
We cannot deliver on any of this without the dedication and commitment of our employees so the strategic plan also includes activities to ensure that we are providing a safe, attractive and rewarding work environment.

The OCP provides the City with the opportunity to respond to both the current circumstances the City is facing and desired future and policy goals as outlined in the OCP. In 2014, the City launched its first four-year strategic plan since the approval of the OCP. That strategic plan is intended to *Build the Foundation* (the title of the plan) for the delivery of the OCP in the future. Each four-year strategic plan will build on this foundation, reflecting the integrated sets of choices that will drive the implementation of the OCP and the achievement of its Vision and Community Priorities.

> *The City of Regina will operate from a position of strength to achieve the Design Regina Community Priorities. The City will be recognized in particular for its long term financial sustainability strategy and its increased ability to deliver innovative services in a fiscally responsible manner.*

Figure 4: City of Regina's strategic focus in Building the Foundation, the strategic plan for 2014-17

The plan is based on four strategic directions, outlined below:

Direction 1: Manage Growth

The City of Regina will manage growth within the city, collaborate with the surrounding region, and encourage the development of liveable neighbourhoods.

By managing growth, the City will invest to accommodate a growing population without jeopardizing the sustainability of the community as a whole, or access to services by future generations of residents.

As directed in the OCP, the City will:

- develop new and enhanced revenue streams
- encourage density in the city centre and along major corridors
- cascade the overarching policies of the OCP through other guiding documents
- work with regional partners to protect land for growth to a population of 500,000.

Objectives:

1.1 Revenues are optimized to support sustainable growth.

1.2 Renewal of the city is fostered through intensification.

1.3 The City has adopted a policy framework that aligns decision making to the Community Priorities.

1.4 A regional plan and approach to land use and servicing is established.

Direction 2: Improve Financial Viability

Residents of Regina will benefit from the City's increased financial capacity to renew and replace critical infrastructure.

Improving decision making on allocating limited resources, determining the right trade-offs between maintenance, repair and rehabilitation of infrastructure, and identifying what services are delivered and how, requires better data and analysis than the City historically had at its disposal. Strong models for financial planning and asset management will support the City to make choices within the context of long-term implications.

Objectives:

2.1 A full life-cycle Asset Management approach is being used to support infrastructure renewal decisions.

2.2 The City is optimizing financial capacity and improving the future allocation of resources.

2.3 Decisions about programs and assets reflect future service needs.

Direction 3: Engage and Develop Staff

The City of Regina will create a work environment where employees are engaged and are positive leaders of change for their community.

Employees who are fully involved in and enthusiastic about their work deliver better quality service to residents and seek out opportunities to be innovative, efficient and otherwise demonstrate leadership. They are less likely to leave the City in pursuit of other opportunities, and contribute to a culture that can attract other like-minded employees. The City is committed to fostering engaged and skilled staff by investing in leadership development and structures that support safe workplaces and effective processes.

Objectives:

3.1 Strong and effective leaders are developed at all levels of the organization.

3.2 Our employees receive the supports they need to be safe, efficient and effective.

3.3 Our employees are engaged to support the City's delivery of the Community Priorities.

Direction 4: Engage Citizens

The City of Regina will develop new processes that seek to engage our citizens and responsibly address their evolving needs.

Residents rely on services provided by the City to maintain and enhance their quality of life. The sustainability of those services is not assured, particularly as expectations for new and enhanced services continue to grow, and revenues to pay for them fail to keep pace. To achieve the Vision and Community Priorities developed and affirmed by citizens through the *Design Regina* public engagement process, the City must continue to engage residents in discussions about their expectations for service. Emphasis must not only be on ensuring efficient approaches for meeting expectations but also on defining reasonable methods for funding services that address both affordability and sustainability concerns.

Objectives:

4.1 Reconcile service expectations against the fiscal realities of the City.

4.2 The City is responsive to customers' needs by meeting established Customer Service Standards.

Achieving the OCP requires a complex series of actions and accountabilities. The City's strategic planning process defines components that move from broad application across the organization over a long time period, to increasingly time-bound, shorter term goals that cascade to the level of individual employees.

Guided by this process, the City and its employees maintain a focus on where we want to go in the long term as we decide what to do today (Figure 5).

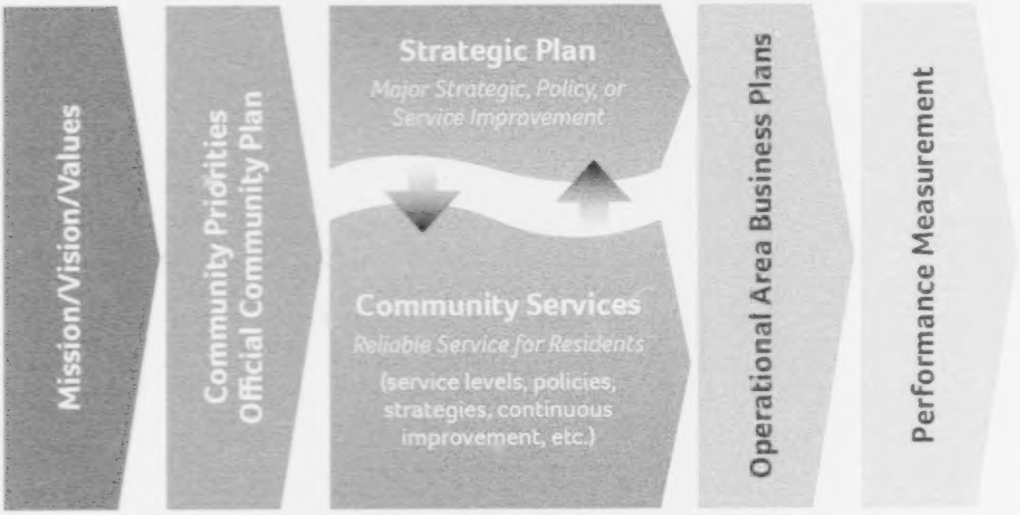
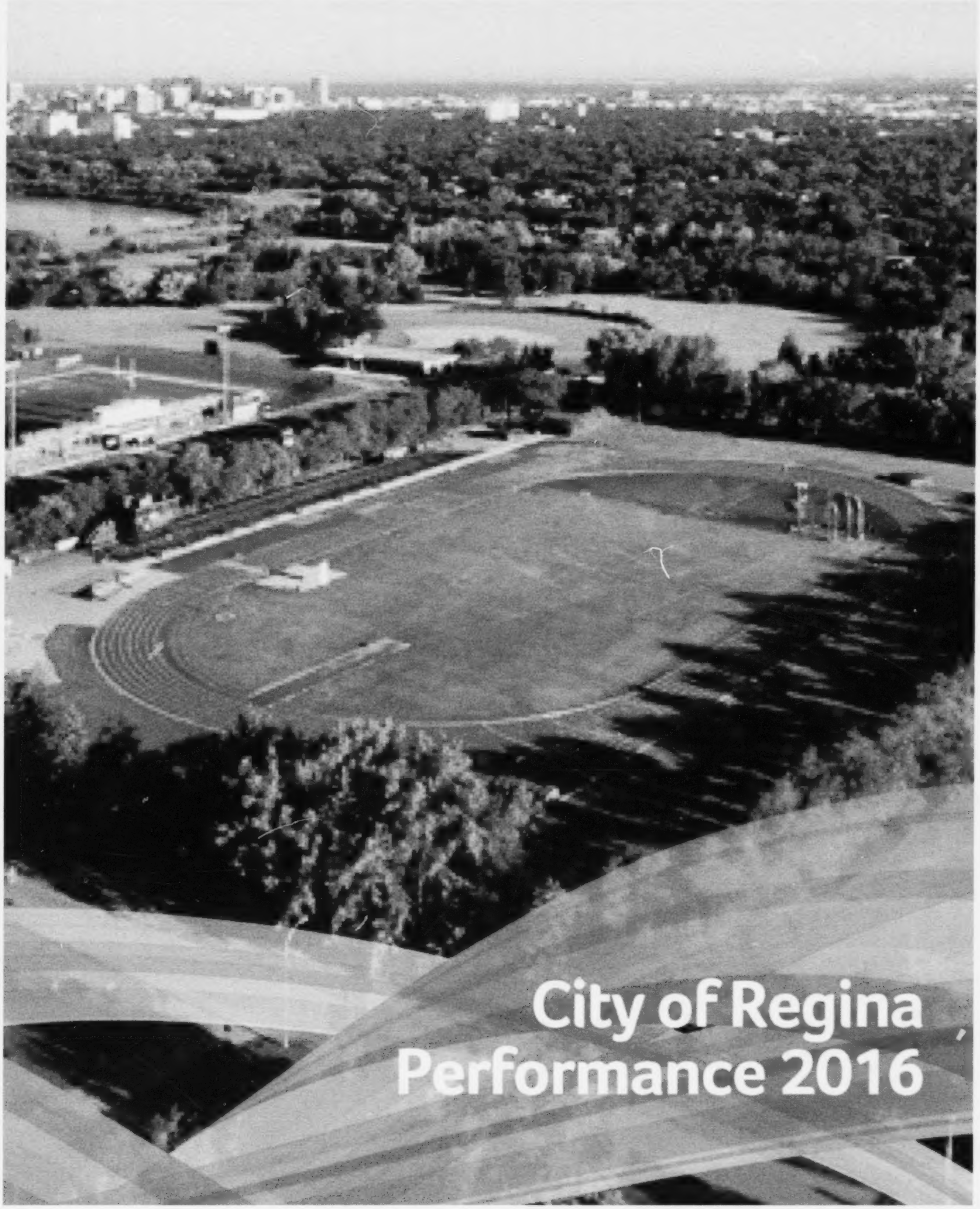

Mission/Vision/Values
Community Priorities
Official Community Plan
Strategic Plan
Major Strategic, Policy, or Service Improvement
Community Services
Reliable Service for Residents
(service levels, policies, strategies, continuous improvement, etc.)
Operational Area Business Plans
Performance Measurement

Figure 5: City of Regina's long-term and strategic planning model



City of Regina
Performance 2016

CITY OF REGINA PERFORMANCE 2016

Assessing our Performance

An integral component to the OCP was a commitment to annually report on progress, including the development of a performance measurement framework.

Because the City has developed a planning framework that is driven by the OCP, measurement of progress on the Strategic Plan and measurement of the delivery of reliable services for residents should generally cover the scope of the OCP.

The measurement of progress on the strategic plan. These measures were developed in tandem with the strategic plan and provide feedback on how implementation of the plan is progressing.

1. **The measurement of the delivery of day to day service to residents** including:
    a. Key performance indicators such as service levels, service effectiveness and service efficiency. As part of our effort to measure our delivery of reliable service, the City has joined a national performance benchmarking network, the Municipal Benchmarking Network Canada (MBN Canada). These measures can provide a starting point for performance measurement upon which other measures can be built.
    b. The delivery of master plans and other service plans are in development or will be developed that are based on the policy objectives of the OCP and are designed to ensure long-term sustainable service delivery (including the assets required to deliver the service, where necessary). These plans may include performance, financial or other targets essential to the sustainability of the service.
2. **An outline of the decisions and actions that have been undertaken by the City in response to the OCP since it was approved.**

This approach recognizes that the implementation of the OCP takes place in many ways. Progress is often incremental and will be made through small or major policy and program decisions and actions. These decisions and actions may not be evident in other forms of performance measurement, but are certainly driven by the OCP.

3. **Reporting on performance targets that appear in the OCP.** The OCP contains a few direct performance targets and may actually imply others. Those that are articulated directly include:
    a. **Intensification Targets:**
        i. At least 30% of new population is directed to existing urban areas
        ii. At least 10,000 new residents will be located in the City Centre
    b. **New Neighbourhood Density Target:** Minimum gross population density of 50 persons per hectare in new neighbourhoods.
    c. **Urban forest Target:** One tree per person in public spaces.
    d. **Office Development Target:** At least 80% of total office floor area in the City, pertaining to medium and major office development is located in the downtown/central city office area.

f. **Plan Monitoring Targets:** Amendments to the OCP are identified and implemented between reviews to improve the Plan or to renew and update it between reviews in response to changing circumstances, using the community priorities and plan goals as guidance.

As progress is made on the OCP and master plans are finalized, other implied performance targets may be identified for future monitoring.

Official Community Plan Results

Official Community Plan Progress on Targets: Progress on OCP targets is being tracked and reported for the first time in this Annual Report. In future years, trend information will also be provided.

a. **Intensification Targets:**
The OCP recognizes that compact urban design serves a wide range of purposes from community safety, improved transit and cost savings. Thus, the OCP includes targets that would see the City of Regina become more densely populated.

   i. *At least 30% of new population is directed to existing urban areas:* In 2016, approximately 11% of estimated population growth was accommodated through the intensification of established areas of the City. The City anticipates that the intensification rate will vary from year-to-year as has been the case in the past. In 2014 and 2015 the intensification rates were approximately 26% and 12%, respectively. The cumulative intensification rate since the adoption of the OCP (2014-16) is approximately 17%. Based on initial 2016 Census data, between 2011 and 2016, 31% of population growth was accommodated in established areas of the City. The City will verify this measure as adjusted figures that account for any undercount are made available by Statistics Canada in 2018. The split between greenfield and infill growth is a measure the City will continue to monitor closely.

   ii. *At least 10,000 new residents will be located in the City Centre:* Infill development and the residential intensification of the City Centre are regularly monitored. Analysis of building permit data indicates that, since the OCP was approved, approximately 68 additional residences have been added to the City Centre. This number is expected to increase in the later years of the OCP as plans for the Railyard Renewal Project and Taylor Field Neighbourhood are finalized and implemented.

b. **New Neighbourhood Density Target:** *Minimum gross population density of 50 persons per hectare in new neighbourhoods:* Since the adoption of the OCP, two secondary plans have been approved for new neighbourhoods/new mixed-use neighbourhoods: Westerra and the Southeast Neighbourhood. As of 2016, these plan areas had no inhabitants therefore it is too soon to track the population density of these future Regina neighbourhoods. The plans were, however, approved with land use strategies intended to exceed the 50 person per hectare threshold. This will be implemented through subsequent concept plans for smaller neighbourhood districts, rezoning applications and monitored as development progresses.

c. **Urban forest Target:** *One tree per person in public spaces:* Regina is proud of its urban forest – recognizing that every tree in the community has been planted. In 2016, Regina had 173,720 trees in public spaces, or 0.81 trees per person.

Between 2012 and 2016, the net number of trees (new trees planted less trees removed) grew by 7,313.

d. **Office Development Target:** *At least 80% of total office floor area in the city, pertaining to medium and major office development is located in the Downtown/Central City office area:* The distribution of medium and major office space is reviewed annually. In 2016, 83% of medium and major office space was located in the Downtown/Central City Office area.

e. **Plan Monitoring Targets:** Amendments to the Plan are identified and implemented between reviews to improve the Plan or to renew and update it between reviews in response to changing circumstances, using the community priorities and plan goals as guidance. The most recent amendments to the OCP were approved by the provincial government in early 2017 and are now in full effect.

Activities and Decisions to Implement the Official Community Plan

The City of Regina took a number of actions and decisions that advanced the OCP in 2016. These are presented and organized by the policy categories within the OCP.

A full listing of all decisions and actions taken to implement the OCP can be found at www.DesignRegina.ca/OCP Implementation.

Community Priorities

Develop complete neighbourhoods: *Create safe and inclusive neighbourhoods that are easy to get around and that have a mix of housing choices, amenities and services. Community input will drive a proactive approach to city planning.*

The City reviewed a comprehensive secondary plan for the Southeast Neighbourhood. The Southeast Regina Neighbourhood Plan will provide an overarching policy framework guiding future land-use, development and infrastructure servicing for the southeast growth area. Council adopted the Plan in 2016, which is awaiting final approval by the Province of Saskatchewan.

The Council also adopted concept plans within the Southeast Neighbourhood for the Towns South Neighbourhood, a mixed-use residential neighbourhood, and the East Victoria Commercial area.

Embrace built heritage, and invest in arts, culture, sport and recreation*: Enhance quality of life, community identity and pride by supporting heritage preservation, arts, culture and four season sport and recreation activities which will foster community vibrancy and cohesiveness.*

Council approved Regina's first Cultural Plan, which prioritizes three goals to align cultural development resources:

- Embrace cultural diversity
- Strengthen the artistic and cultural community
- commemorate and celebrate the City's cultural heritage

The City's Horticulture Branch partnered with Wascana Centre Authority for the annual supply of 40,000 bedding plants for outdoor floral displays to ensure Regina is an attractive city for its residents and visitors.

Support the availability of diverse housing options: *Support a variety of housing choices to ensure people from all walks and stages of life are welcomed to live in Regina.*

City Council approved an amendment to The Zoning By-law to permit the construction of six laneway suites through the laneway and garden suite pilot project.

Create better, more active ways of getting around: *Make it easier for people of all abilities to travel by investing in public transit in appropriate locations and planning for all active forms of transportation. This includes providing access routes so all people can more easily travel from home to work and to other destinations.*

The City reviewed a comprehensive secondary plan for the Southeast Neighbourhood. The neighbourhood and concept plan approvals within the Southeast Regina Neighbourhood Plan included an array of transportation options including planning for on-street cycling lanes, multi-use pathways, transit including a transit hub within the East Victoria Avenue concept plan and road network.

The City continued work on the development of the Transportation Master Plan (TMP) which is targeted to be brought before Committee and Council in 2017. The TMP is a comprehensive and multi-modal transportation policy and planning document for all modes of transportation, walking, cycling, transit and vehicles, which encompasses the investment and operation of transportation infrastructure.

Promote conservation, stewardship and environmental sustainability: *Reduce the City's environmental footprint, prioritize the conservation of land, water, and energy, and embrace new operational measures, such as leading practices for waste management.*

The Waste Water Treatment Plant (WWTP) met substantial completion in 2016. The plant will improve the quality of water of downstream residents through improved wastewater treatment.
Landfill Gas to Energy Facility became operational, converting gas from waste decomposition into electrical power. The power is sold to SaskPower. This facility produces enough electricity to power up to 1,000 houses.

Waste Plan Regina (WPR) achieved a diversion rate of 20% of residential waste in 2016.

Achieve long-term financial viability: *Spend money wisely to ensure the City's ability to manage its services and amenities both now and in the future. This includes considering the full costs of operating before committing to projects or services and to search out new ways to generate revenue to ensure the City has the financial resources to meet customers' needs.*

Work will continue to develop and implement a Long Range Financial Plan. The Long Range Financial Plan will enable more detailed conversations about the impact of current decisions on existing and future services and the trade-offs required to support the decision. It will put the organization in a position to understand the implications of policy recommendations in a specific area for the entire organization.

Foster economic prosperity: *Support a vibrant and diverse economy that provides opportunities for residents to prosper and Regina to flourish.*

The Secondary and Concept Plans for the Railyard Renewal Plan progressed in 2016.

The WWTP met substantial completion on schedule on December 31, 2016.

The new Mosaic Stadium met substantial completion, August 31, 2016, and the City assumed responsibility of the Stadium on September 1, 2016.

Optimize regional cooperation: *Work cooperatively with surrounding municipalities, agencies, levels of government and other stakeholders to determine and evaluate opportunities to collaborate, to plan for and potentially deliver services regionally.*

The City actively collaborated to explore planning initiatives and common interests with the following groups: White Butte Regional Planning Committee (which includes White City, Pilot Butte, Balgonie, Village of Edenwold and the Rural Municipality of Edenwold), Moose Jaw Regina Industrial Corridor, Rural Municipality of Sherwood Committee, Global Transportation Hub Authority, Sakimay First Nation and the East Cottonwood Watershed Association.

The new Hauled Wastewater Station supports regional growth, as it delivers an improved level of service and more sustainable approach for customers throughout the region.

The City signed an agreement with Sakimay First Nation to service 16 acres of land outside of city limits with potable water access and fire services. This is the first agreement of this kind with a First Nation.

Financial Policies

Policy 1.1: *Allocate the cost of delivering programs and services based on the benefits model.*

U-Pass was launched in 2016. The U-Pass program provides full cost-recovery for transit service enhancements that are targeted for University of Regina students, but will also benefit transit riders as a whole.

A pay-per-load fee system based on truck size was implemented at the Snow Storage Site. With this new fee structure, the operations of the Snow Storage Site will be supported by its users. It remains accessible to all citizens as well as commercial and private contractors for the winter season.

The new Hauled Wastewater Station will be operated under a full cost-recovery model. Customers who use the Station will pay fees to recover the capital and operating costs and assure that non-users of the service do not bear the financial burden of it.

Policy 1.3: *Optimize the use of existing services/amenities.*

The City's Horticulture Branch partnered with Wascana Centre Authority for the annual supply of 40,000 bedding plants for outdoor floral displays to ensure Regina is an attractive city for its residents and visitors.

An asset management framework was developed in 2016 and will be adopted by all city departments in 2017. A framework and guide for asset management planning was developed to guide long-term infrastructure planning for both growth and maintenance needs.

Policy 1.5: *Provide infrastructure that meets expected growth and service levels in accordance with financial resources and capabilities.*

In the review of various new development area plans, the City directed development proponents to align proposed servicing with city standards for infrastructure, require upgrades associated with growth and ensure that infrastructure either would meet or address service levels in accordance with resources and capabilities.

Policy 1.6: *Make decisions on capital investment based on an understanding of the strategic priorities of the City and overall fiscal limitations.*

The Long Range Financial Model, developed in 2016, will assist Council and the Administration to understand the long-term implications of developing new infrastructure and investing in the maintenance of existing infrastructure.

The five-year Capital Plan is now, in the case of most asset classes, based on longer term asset management plans that integrate growth components with the long-term cost of operating.

The Water and Wastewater Master Plans, which were underway in 2016, focus largely on supporting intensification areas.

Policy 1.14: *Work with other levels of government to secure sustainable sources of municipal funding for both capital and operating needs of the City.*

The City received $750,000 in funding from Multi-Material Stewardship Western, a stewardship program funded by paper and packaging generators to offset the cost of recycling their products. These funds are used to support the City's recycling program.

Policy 1.20: *Apply the benefits model to ensure that costs shared with other municipalities and external agencies are paid for on a proportionate basis.*

A pay-per-load fee system based on truck size was implemented at the Snow Storage Site.

With this new fee structure, the operations of the Snow Storage Site will be supported by its users. It remains accessible to all citizens as well as commercial and private contractors, both local and regional, for the winter season.

The new Hauled Wastewater Station will be operated under a full cost-recovery model. Customers who use the Station will pay fees to recover the capital and operating cost and assure that non-users of the service do not bear the financial burden of it. This service is primarily required by residents of the region surrounding Regina.

Growth Plan

Policy 2.1: *Endeavor to ensure that lands contained within the long-term growth area (500,000) are protected over the long-term to accommodate a city population of 500,000, as conceptually shown on Map 1 – Growth Plan.*

In the ongoing review of new development area plans, the City sought to ensure lands were protected for the continued growth to a population of 500,000 which included considerations such as protection for road right-of-way for future interchanges and services considered for extension into the 500,000 long-term growth area.

Policy 2.3: *Direct at least 30% of new population to existing urban areas as the City's intensification target.*

In 2016, approximately 11% of estimated population growth was accommodated through the intensification of established areas of the City.

The City anticipates that the intensification rate will vary from year-to-year as has been the case in the past. In 2014 and 2015 the intensification rates were approximately 26% and 12%, respectively. The cumulative intensification rate since the adoption of the OCP (2014-16) is approximately 17%. Based on 2016 Census data, between 2011 and 2016, 31% of population growth was accommodated in established areas of the City. The split between greenfield and infill growth is a measure the City will continue to monitor closely.

Policy 2.4: *Make use of residual capacity of infrastructure in existing urban areas.*

In the ongoing review of new development area plans, the City sought to examine the efficient use of existing infrastructure, but working to maintain a minimum level of service. In considering new infrastructure, directing development proponents to maximize the opportunity for the catchment area of both 300,000 (current) and 500,000 (long-term) growth areas in addition to existing areas to consider improving existing levels of service.

Policy 2.7: *Direct future higher density intensification to the City centre, existing urban centres and corridors and adjacent intensification areas where an adequate level of service and appropriate intensity and land use can be provided.*

Throughout 2016, the City undertook the work of a pre-design study for improvements to Storm water management of Drainage Area #10 which includes the downtown, but also extends south to Wascana Lake, north the Canadian Pacific Railway Main Line and east to Winnipeg Street. This activity is captured within the intensification work plan, although it does not necessarily provide specific capacity to support intensification, but rather supports the potential increase to level of service for the area during a major storm event.

Policy 2.13: *Amend Map 1 – Growth Plan and related policies if necessary to correspond to the final alignment of the provincial highway bypass to comprehensively plan development in the southeast.*

All maps in the OCP were amended in 2016. The most notable amendment added New Neighbourhood and Employment Areas to the OCP Growth Plan in the southeast. This results in extending the planning and build-out horizon of the Plan beyond the population of 300,000. At this time, the additional 4,000 estimated population within the bypass plus the amount of employment growth outside the bypass (approximately 137.5 hectares) are not anticipated to have a significant impact on the overall Growth Plan and policies.

Regional Context

Policy 3.2: *Work with regional partners to explore strategic planning initiatives, including but not limited to (3.2.1) an integrated servicing strategy that may include cost-sharing models, corresponding service levels, and performance outcomes for long-term views.*

The City continued to collaborate actively to explore planning initiatives and common interests with the following groups: White Butte Regional Planning Committee.

This includes the towns White City, Pilot Butte, Balgonie, the Village of Edenwold, the Rural Municipality of Edenwold, and the Rural Municipality of Sherwood), Moose Jaw Regina Industrial Corridor, Rural Municipality of Sherwood Committees, Global Transportation Hub Authority, Sakimay First Nations, and the East Cottonwood Watershed Association.

The City formed a partnership with the White Butte Regional Planning Committee on developing a regional Trans-Canada Trail system to connect on the east of Regina.

Policy 3.3: *Work with surrounding municipalities, the province and other regional partners as necessary to ensure the efficient movement of people and goods within the region.*

In 2016 and continuing into 2017, the City has worked the provincial government and the Regina Bypass Partners to ensure the successful delivery of the Regina Bypass project. This includes coordination, review and resolution of challenges of various aspects of which the City is a stakeholder in the construction of Regina Bypass infrastructure while upholding the financial, safety and security aspects for the residents of Regina.

Policy 3.9: *The RM of Sherwood and the City will collaborate where possible, particularly on the future of the City's aspirations for urban growth outside the city, and potential future land use conflict inside the City, to clearly define and differentiate future growth and future required urban land contained within the joint planning area.*

Discussions with the RM of Sherwood on a cost-sharing process for roadways within the joint planning area serving both rural and urban traffic (Inland Drive).

RM of Sherwood and City staff worked collaboratively together to draft policies for each municipality's respective OCP to address planning in proximity to the Evraz Steel Mill in Sherwood Industrial Park. The RM has included these draft policies in their proposed OCP whereas the City intends to make amendments as part of the five-year review of the OCP scheduled for 2018.

The City's Regional Planning Branch reviewed 21 proposed development applications in the surrounding municipalities. Of the 21 applications, 18 were in the RM of Sherwood, one was in the Town of Pilot Butte and two were in the RM of Edenwold. These applications included subdivisions, concept plans, and discretionary uses.

RM of Sherwood was consulted on all secondary plans and concept plans reviewed by the City in 2016 such as the Southeast Neighbourhood Plan.

The Sherwood-Regina Administrative and Technical Committee has agreed to work on the following items in 2017: policy on (jointly-funded) infrastructure projects; annexation – geographic considerations; policy; development application review process; process of developing reports/ recommendations with divergent views; secondary plan for mutual growth areas – develop list of areas, serviceability/services, road network planning, policy on joint services/servicing – both large and smaller areas, and agreement on what residential development looks like.

The City's Regional Planning Branch reviewed five extra municipal servicing requests for septage hauling to city facilities. Of the five requests, three in the RM of Sherwood and two were in the RM of Edenwold.

Policy 3.20: *Partner with surrounding municipalities and other stakeholders in preparing a regional natural system.*

The City's Regional Planning Branch has been working with the White Butte group on the TransCanada Trail that will connect the City portion of the tail to communities east of the City.

Collaboration with the proposed East Cottonwood Watershed Association to seek regional partnership opportunities for natural system management, environmental conservation and protection, and source water protection.

Environment

Policy 4.8: *Develop strategies to protect the quality and quantity of surface and ground water resources from contamination and impacts.*

The design work for the Trunk Relief Initiative will reduce the risk of wastewater entering other waterbodies.

Transportation

Policy 5.1: *Use the Transportation Master Plan, which shall be consistent with the objectives and policies of this Plan, as the guiding document for transportation policy and planning within the City.*

The City continued work on the development of the Transportation Master Plan which is targeted to be brought before Council in 2017. The Plan is a comprehensive and multi-modal transportation policy and planning document for all modes of transportation including walking, cycling, transit and vehicles. The Plan also encompasses the investment and operation of transportation infrastructure.

Policy 5.4: *Establish all-season design and maintenance priorities for roads, sidewalks and pathways to ensure the transportation network provides safe travel, access and mobility.*

Beginning January, 2016, the City enhanced the sidewalk clearing program to further clear sidewalks adjacent city-owned parks on Category 3 and 4 roads, as well as all no frontage locations.

This change to the Winter Road Maintenance Policy added 26 km of sidewalks to the snow clearing schedule and in turn improves accessibility for residents throughout the winter months.

Policy 5.11: *Enhance transit service in existing neighbourhoods to support continued residential and employment growth.*

The launch of the Universal Bus Pass (U-Pass) at the University of Regina resulted in additional routes and enhanced service frequencies. More direct, quicker routes were implemented. This will enhance the overall Transit system and the services for residents.

Policy 5.13: *Maximize the accessibility of the conventional transit system while ensuring the paratransit system meets the needs of those unable to use the conventional system.*

There was the addition of two buses to the Paratransit fleet to respond to increasing demands for use. Furthermore, the use of taxis in this service were two of the successful variables to reduce the unaccommodated refusal rate to 0.7.

Audible stop announcement software was installed making transit more accessible for many customers assisting them to know the next stop.

Infrastructure

Policy 6.1: *Design, construct and operate infrastructure to comply with relevant legislative and regulatory requirements.*

Capital upgrade projects currently underway at the Buffalo Pound Water Treatment Plant will ensure the Plant can continue to meet regulatory requirements and provide the City with a reliable water source.

Policy 6.3: *Prepare and implement an asset management strategy for infrastructure.*

The City completed a maturity assessment and gap analysis. This feeds a ten-year corporate strategy and roadmap that will be geared toward maintaining and improving infrastructure and capital assets while keeping costs for Regina residents affordable (to be completed in 2017).
An asset management continuous improvement framework will be adopted by all city departments in early 2017.
A service framework is being developed to guide how the City measures success against service delivery targets (known as 'levels of service').

The City is building its capability for long-term planning with existing human resources.

The City developed its first two asset management plans, which plan long-term for the operations, replacement, and building of new assets.

Plans were developed for city bridges and the infrastructure supporting the City's potable water service, including both pump facilities and the underground pipe network.

Policy 6.6: *Develop infrastructure plans that will address both short- and long-term growth requirements and manage the impacts of new development on system-wide services.*

The City, with the developer of the Towns and in consultation with developers within the Greens on Gardiner and The Creeks, completed a planning pre-design study for the near-term expansion of the Creeks Sanitary Pump Station to maximize the available capacity to service new growth within the South East Neighbourhood Plan.

The City review of Concept Plans for new growth areas examined the integration of storm water management into municipal reserves and open space that allowed for the continued operation intended for the open space while providing the level of protection required by City standards in a major storm event.

Policy 6.8: *Assess infrastructure requirements prior to reconstruction to ensure that the design accommodates future growth, where feasible.*

The City examined various infrastructure requirements for growth prior to reconstruction including various roadway and bridge maintenance activities as well as planned water and sanitary service infrastructure.

Examples include Ring Road over Victoria Ave. bridge deck replacements, 3rd McCarthy Boulevard force main, planning for realignment of water supply lines to include a future 3rd supply line, Wascana Parkway over Hwy #1 Bypass bridge deck replacement planning.

***Policy 6.9:** Consider operational aspects, such as providing solid waste management services, in the design of new developments.*

The City considered the operational aspects including efficient garbage collection in the road and alley layout of planned new development areas within the various concept plans approved and under review.

***Policy 6.12**: Explore waste-to-energy processes whereby waste and waste by-products of one activity are used as resources for another.*

The Landfill Gas to Energy Facility became operational, converting gas from waste decomposition into electrical power. The power is sold to SaskPower. This facility produces enough electricity to power up to 1,000 houses.

Land Use and Built Environment

***Policy 7.1.4:** Opportunities for daily lifestyle needs, such as services, convenience shopping, and recreation.*

In 2016, Council approved a Shopping Centre on Chuka Drive in the Greens on Gardiner which will provide needed local services including a grocery store for area residents. In addition, *Zoning Bylaw* Amendments were made for the first phases of the East Victoria Concept Plan Aurora, and The Towns/ Eastbrook Concept Plan. Council also approved development applications for two mixed use buildings (125 Hamilton Street and 120 Broad Street).

***Policy 7.1.5:** A diversity of housing types to support residents from a wide range of economic levels, backgrounds and stages of life, including those with specific needs.*

In 2016, City Council approved Live/Work Zoning Regulations and a live/work development in Westerra. City Council approved an amendment to *The Zoning Bylaw* to permit the construction of six laneway suites through the laneway and garden suite pilot project.

***Policy 7.7:** Collaborate with stakeholders to enhance the City Centre, as depicted on Map 1 – Growth Plan.*

In 2016, key development approvals included City centre infill growth including several adaptive reuse approvals for buildings in the Transition Area (also known as the Centre Square Neighbourhood) and the Warehouse District.

The Regina Downtown Business Improvement District (RDBID) was established to improve the downtown's appearance and image, promote and market the downtown and undertake projects and initiatives that facilitate ongoing enhancement and redevelopment within the RDBID boundary. The RDBID provides a number of programs and services to business owners, including streetscape beautification, street cleaning, graffiti removal and inclusion in marketing and promotional campaigns.

***Policy 7.29:** Require medium office and major office to locate inside the downtown, except where specifically excluded.*

Office policies in the OCP are reviewed annually respecting the effectiveness of the office policy and potential impacts the policy may be having on Regina office market conditions. In 2015, a minor amendment was made to the OCP to allow Council to consider anomalous situations to relocate medium and major offices away from potential hazards.

Housing

***Policy 8.1:** Support attainable housing in all neighbourhoods through ownership, rental housing and specific needs housing.*

The City was an active participant in the Housing First Initiative led by the YWCA.

City Council approved an amendment to *The Zoning Bylaw* Amendment to permit the construction of six laneway suites through the laneway and garden suite pilot project.

Parks, Recreation and Open Space

Policy 9.1.3: *Minimum standards for quantity and quality will guide the management of the open space system.*

The City's Horticulture Branch partnered with Wascana Centre Authority for the annual supply of 40,000 bedding plants for outdoor floral displays to ensure Regina is an attractive city for its residents and visitors.

Concept Plans under review or approved for parks and open space included consideration of connection to multi-use pathways and the natural system. Also considered was Crime Prevention though Environmental Design (CPTED) principles in the adjacent land uses and being able to have eyes on the space.

Culture

Policy 10.1: *Build partnerships and work collaboratively with community groups, other levels of government and the private and voluntary sectors to encourage cultural development opportunities and conserve historic places.*

In 2016, the City contributed land to the University of Regina College Avenue Campus Renewal project. This partnership with the University will enable the conservation of a provincially-significant historic campus.

In April of 2016, Council considered four reports seeking Municipal Heritage Property designation for the Frontenac Apartments, Somerset Block, Weston Bakery and Old Fire Hall No. 1, which were all approved. Council also approved the removal of the Watchler 2nd Residence (13 Leopold Crescent) from *Heritage Holding Bylaw No. 8912*.

Restoration of the fountain in Confederation Park on the site of the new Mosaic Stadium continued in 2016. Confederation Park dates to the celebration of the Diamond Jubilee of Canadian Confederation in 1927 and the project responds to the OCP's direction to conserve historic places.

Restoration of the Old Fire Hall No. 1 on 11th Avenue was also completed in 2016. The project should be recognized for its notable contribution to the conservation of a prominent City-owned heritage building including careful sourcing of replacement shingles and repair of wood, masonry and metal materials.

In 2016, the City processed two applications under the Heritage Building Rehabilitation Program including the Frontenac Apartments (2202 Lorne Street) and Knox Metropolitan United Church on the north-west corner of the intersection of Victoria Avenue and Lorne Street.

Policy 10.13: *Engage with Regina's First Nations, Métis and Inuit communities to determine collaborative strategies and approaches to addressing cultural needs and aspirations.*

City Council approved Municipal Heritage Property designation of the Regina Indian Industrial School Cemetery (701 Pinkie Road). The project was recognized as responding to the Truth and Reconciliation Calls to Action #75 and 76.

Health and Safety

Policy 11.1: *Ensure the compatibility of new development within land use compatibility transition areas on Map 9 – Health and Safety.*

The RM of Sherwood and City employees worked collaboratively together to draft policies for each municipality's respective OCP to address planning in proximity to the Evraz Steel Mill in Sherwood Industrial Park. The RM has included these draft policies in their proposed OCP whereas the City intends to make amendments to as part of the five-year review of the OCP scheduled for 2018.

Policy 11.7: *Employ appropriate setback standards to ensure compatible development adjacent to the following: railway, pipeline, and other utility corridors, energy-generation facilities and other features, where required.*

In 2016, the City undertook a study to examine the various standards and criteria associated with risk assessment of sources of risk and setbacks from various lands uses. The study will inform future work to consider whether the City's current setback analysis requirements associated with future development require revision.

Economic Development

Policy 12.1: *Ensure an orderly regulatory environment within which business and industry can operate assured of transparency, predictability, and fairness in their dealings with the City.*

Regina has continued to operate without a business tax to ensure a competitive environment for business to operate.

Policy 12.4: *Provide easy access to information about investing in, conducting business in and visiting Regina.*

Economic Development Regina (EDR) ensured that businesses wishing to locate in Regina and tourists to Regina had easy access to information and support.

EDR successfully led bids to host a number of major national and international events in Regina during 2016, including 2017 Skate Canada and the 2018 Tim Horton's Brier.

Social Development

Policy 13.1: *Develop community resources to provide opportunities for social activities, events and programming for Regina residents.*

The Mâmawêyatitân Centre is a new facility under construction in the heart of North Central. The Centre is a community hub and will house Scott Collegiate, a child care facility, the City's recreation services, public library and a community policing centre. The Centre is expected to be completed in spring 2017 and open to the public in June.
The overall cost of the project is approximately $41 million with Regina Public Schools contributing $31 million with support from the Province. The City is providing $8.8 million and the Regina Public Library is investing $2.5 million.

Policy 13.6: *Encourage intensification as a means to revitalize and renew neighbourhoods and existing community resources.*

Plans for Regina's Railyard Renewal were advanced throughout 2016. With the completion of the Regina's new Mosaic Stadium, decommissioning of the old stadium will begin in 2017 releasing 20 acres of prime development land within North Central. This land will be developed as a complete neighbourhood. The North Central community will have input into the planning process. Some potential benefits for North Central are increased business and investment opportunities in the neighbourhood.

Policy 13.9: *Support community gardens on public and private land.*

At the request of Council, the City created a community garden policy and program to ensure that non-profit organizations interested in establishing a community garden have access to both City land and other lands. The interest and support for community gardens continued to increase in 2016:

- Regina currently has 15 community gardens. The majority are on City land.
- One private charitable garden continues to operate at the University of Regina.
- Six schools have gardening programs.

- The Four Seasons Urban Agriculture Project is a new initiative of the Food Bank. The project provides 2,400 square feet. of year-round indoor green space to grow fresh produce and to engage clients and community members in different aspects of the food system. As an added bonus, the project has diverted 350 pounds of waste from the landfill by using earthworms to convert organic waste into fertilizer.
- The City is working with the community to establish a new community garden in southwest Regina.

Policy 13.10: *Collaborate and seek partnerships to increase access to healthy, diverse and affordable food within neighbourhoods.*

Food Regina is a network of local food organizations that exists to improve the security, sustainability and resiliency of Regina's local food system. The Food Regina Board of Directors work together to improve community food security by supporting research, public awareness, education, infrastructure, and policies related to the local food system. The City is an ex-officio member of Food Regina.

Policy 13.13: *Collaborate and partner with other levels of government, stakeholders and the broader community to improve community security.*

As part the Graffiti Management Program, the City partnered with the Cathedral Area Community Association and Regina Police Service to wipe-out graffiti in the Cathedral neighbourhood prior to the 25th Anniversary Celebration of the Cathedral Arts Festival. The initiative included a media event, communications to Cathedral residents and businesses, enhanced removal of graffiti from city and other stakeholder assets and enhanced bylaw and police enforcement.

Policy 13.14: *Work with others to ensure that all residents have secure access to basic needs, such as food, housing and other services.*

The City provides over $800,000 in Social Development Community Investment funds to non-profit organizations to deliver programs to assist vulnerable and marginalized populations with basic and other needs.

Policy 13.15: *Participate in the development of a comprehensive plan to address homelessness in partnership with other levels of government.*

The City continued to play a key role in the federal government's Homelessness Partnering Strategy by providing leadership on the Regina Community Plan on Homelessness and the Community Advisory Board.

In 2016, the following was accomplished to support the homeless population:

- Allocated over $700,000 to organizations for capital projects and to deliver housing and support services
- Launched Regina's Housing First Program to house individuals experiencing chronic homelessness and with acute needs
- Initiated a Rapid Rehousing Program to house individuals experiencing episodic homelessness and with moderate needs and to work in tandem with the Housing First Program
- Secured the services of an evaluator to evaluate Regina's efforts and to grow the program

Policy 13.22: *Identify opportunities to collaborate with the community and support the improved settlement and integration of international immigrants.*

The City participated in efforts to support the arrival, settlement and integration of the Syrian refugees by working in partnership with the Regina Open Door Society. Approximately 650 Syrian refugees (about 67% of them children) had arrived in Regina by the end of December 2016.

***Policy 13.20:** Support the City's population of seniors and persons with specific needs by (13.20.3) coordinating accessibility actions and initiatives across city departments.*

To respond to increasing demands for Paratransit use, two buses were added to the fleet and taxi use increased, reducing the unaccommodated refusal rate to 0.7.

Audible Stop Announcement software was installed to make transit more assessable for many customers.

Realizing the Plan

***Goal 4:** Ensure the goals and policies of this Plan [the OCP] are realized.*

Since the 2014 Annual Report, an annual update of progress on the implementation of the OCP has been prepared and published in the Annual Report.

A Planning and Performance Framework has been developed and adapted to ensure the monitoring of the OCP implementation.

***Goal 6**: Ensure alignment between the OCP and its cascading and related plan, practices, standards and other guiding documents.*

The Corporate Policy Framework originally developed in 2010 was updated and extended to include policies approved by Council.

Various employee groups with the responsibility for policy development were consulted in the creation of definitions, criteria and tools.

Master plans have been described as the next level of detail from the OCP. Cross-divisional collaboration resulted in the development of guidelines and a template for all City of Regina master plans.

This was established to offer corporate consistency in approach and content, but extend enough flexibility for business areas to adapt to any specific needs of each policy document.

Some master plans are currently in development with more in business plans for future development over the next few years.

***Goal 7:** Ensure that the Zoning Bylaw facilitates development in accordance with the goals and policies of this Plan [the OCP].*

In 2016, a project was launched to review and revise *The Zoning Bylaw* to better align with and deliver on the OCP.

Strategic Plan Results

The City of Regina's Strategic Plan attempts to accomplish two objectives:

1. Advance the long-term achievement of the OCP
2. Address issues, risks, and opportunities in the shorter term which will ultimately affect the City's capacity to achieve the OCP

Many of the 2016 decisions and actions related to the achievement of the OCP, which have been reported in the preceding section, directly flow from the City's strategic plan. The following is a report of activities which are either underway or more internally focused.

Manage Growth

A number of guiding documents that establish the policy, which define how services are provided at the City, have been reviewed to ensure they are aligned with the policies in the OCP. This work will continue over the next three years.

To date, the following policies have been reviewed:

- Service Agreement Fee and Development Levy Policy
- Housing Incentives Policy
- Neighbourhood Road Renewal Program

Improve Financial Viability

The City of Regina is moving toward implementing full life-cycle asset management across all asset categories. The organization is moving forward to develop first generation asset management plans in seven asset categories by the end of 2017.

As part of the strategic plan, the City of Regina continued work to develop a Long Range Financial Plan. The Long Range Financial Model is a multi-year financial plan to better allow the City to plan its resource requirements and make informed decisions.

The basis for the Long Range Financial Plan, was completed in 2016. Work will continue to develop the plan itself in 2017.

Steps to achieve the Long Range Financial Plan include the following work:

- Development of first generation asset management plans (in progress)
- Review of the Service Agreement Fees, Development Levies and the finalization of OCP phasing and financing (completed in 2015)
- Introduction of new financial software that has the ability to provide predictive modeling and improved decision support (in progress)
- Renewal and finalization of the City's financial policy framework (completed in 2015)

Engage and Develop Staff

The City of Regina is facing a risk to the delivery of service because of impending retirements that could potentially see the City lose up to one-third of its employees in the next six years.

In response to this issue, the City started work to improve the work environment and make it more attractive to current and new employees. This includes:

- Each branch and department was required to identify activities to improve the engagement of their employees in the work place. Activities ranged from increasing the number of team meetings to the availability of professional development.
- There has been a city-wide emphasis on workplace safety which has reduced time-lost injuries by 47% since 2011, with the biggest gains coming in 2014. Improvements were retained throughout 2015 and 2016. A decision has been make to expand the program to see further benefits.
- The City, in partnership with the University of Regina, began delivering a city-specific program to support leaders so they have the skills to create a positive and productive work place. Since 2015, four groups of 24 individuals each began the training program.
- The City started delivery of the new Management Skills Series, an internal certificate program for both current and aspiring leaders in the organization. Tactical in nature, it provides learning modules to support leaders with practical knowledge, best practice information and city-specific process and tools in eight learning modules.

Engage Citizens

The City joined MBN Canada to improve its ability to report its effectiveness and efficiency to citizens. The benchmarking system allows the City to compare its performance including the cost of its service delivery with other municipalities in Canada.

Operational Performance Measurement

Performance Measurement
In 2014, the City made a decision to improve its capacity to measure and report on its operational performance. In 2015, the City identified a municipal benchmarking partnership that it wanted to participate in. The partnership allows the City to compare its performance to that of other municipalities across a standard bundle of services.

Through MBN Canada, formal reporting on our performance began in 2016 for the first 15 service areas. Over the next three years, the City will launch performance reporting incrementally until we report on all 28 services that align with the MBN Canada framework.

Full results are available in Appendix 1.

Operational Highlights
While the OCP and the strategic plan guide the changes and improvements the City wants to make over time, most of the City's effort goes into delivering day-to-day service to residents. An overview of the highlights and accomplishments of the City in 2016 follows.

Highlights from MBN Canada performance measures which were collected for 2016 are also included. These highlights are presented in accordance with the City's service inventory, rather than by organizational structure.

Community Services

Building Permits and Inspections
Work on Zone Forward, a comprehensive review of *Regina Zoning Bylaw No. 9250*, continued throughout 2016. The City undertook a current state assessment which included an extensive policy and regulatory review of the current *Zoning Bylaw* and over 100 municipal, provincial and federal pieces of regulation, policy or legislation. In addition, the City assessed development which occurred between 2000 and 2015 to determine trends, as well as assessed where the current *Zoning Bylaw* is misaligned with the OCP.

MBN Canada Highlights

Measure	2016 Result	MBN Canada Median	MBN Canada Range
New Residential Units per 100,000 population	621	441	205 – 1,179

Culture, Sport & Recreation
Work on the Mâmawêyatitân Centre included providing a leadership role in the Facility Operations Committee, Program Integration Committee and the development of the Community Advisory Committee in preparation for the grand opening in 2017.

Initiation of the Recreation Master Plan took place in 2016, which is planned for completion Q4 of 2017

Construction of the Sandra Schmirler and North West Leisure Centre Play Spaces were completed.

The City advanced social inclusion through extensive consultation on accessibility and accommodation at the new Mosaic Stadium and strengthened relationships with the Indigenous community, with the purchase of a tipi and community-wide elder engagement.

The new Mosaic Stadium met substantial completion, August 31, 2016, and the City assumed responsibility on September 1, 2016.

On October 1, 2016, the City had the opportunity to test the new Mosaic Stadium with a Canadian Intercollegiate Sports football game. The building tested well and performed as expected.

Fire

Fire & Protective Services has developed an asset renewal framework which is founded on a life cycle management regimen reflecting the industries best practices and incorporating the tenets of fiscal management established by the City's leadership.

Parks

The City inventoried 50,000 trees using Geographic Information Systems technology as part of a long-term goal of having a complete asset register of the urban forest that can be used to formulate changes to the Regina Urban Forest Management Strategy,

A new off-leash dog park was opened.

MBN Canada Highlights

Measure	2016 Result	MBN Canada Median	MBN Canada Range
All parkland as a percent of total area of Municipality*	9.0%	6.5%	2.4% - 12.8%

*Excludes Wascana Park

Planning

A new Servicing Agreement Fee (SAF) policy took effect in 2016 that supported the OCP policy for new neighbourhoods and employment areas. The policy had a direct impact to the development industry. As a result, the City supported the design and construction of over 160 hectares of greenfield development.

In a typical year, the Administration averages 50 to 60 hectares of new development.

The Railyard Renewal Project progressed in 2016. A second open house was held and feedback was used to create a draft preferred redevelopment concept for the Railyard site. It is anticipated that secondary and concept plans will be completed in 2017 and presented to Council.

Roads

In 2016, 65 roadway projects were completed. There was rehabilitation of 27 km of road infrastructure network, replacement of one traffic and one pedestrian bridge, rehabilitation of 6 km of paved and 13 km of gravel alleys, 70 km of crack sealing on arterial and expressway roads, and 66 km of rural gravel road maintenance. The City also completed structural road assessment of 523 km of collector, arterial and expressway roads, four new corridors, and rehabilitated 11 signals and replaced 11 signals.

The City planned and executed major construction projects including: Victoria Avenue from Park Street to Quance Gate, Pasqua Street from Gordon Road and Parliament Avenue, and Pasqua Street from 9th Avenue North to Rochdale Boulevard.

Roadways improvements were implemented to accommodate a safe transit route at the intersection of 11th Avenue and Broad Street, 11th Avenue and Lorne Street, and Albert Street and Saskatchewan Drive.

Major rehabilitation of capital, residential and maintenance pave locations was completed.

The Bridge Infrastructure Asset Management Plan was completed to give an update on Regina's network of bridges.

A new method of dust mitigation on gravel roads utilizing asphalt millings was implemented and subsequently two sections of rural gravel roads were upgraded with asphalt millings in order to provide dust control for adjacent subdivisions.

A structure was established for the Snow Routes Program along with a detailed plan for testing the effectiveness on Snow Routes in the pilot project.

An additional 26 km of sidewalks was cleared in accordance with the Winter Maintenance Policy, bringing the total to approximately 90 km. This enhancement is aligned with the OCP guidelines to establish a safe and accessible sidewalk network for all seasons.

The neighborhood sign pilot was implemented to renew old and tattered signage throughout any given sector while collecting all information for asset management purposes. This pilot was a success.

Transit

U-Pass was launched in 2016. This allowed students at the University of Regina to have a reduced semester rate when riding the bus and give them unlimited access to the bus service while attending school. This also allowed for new services in the southeast corner of Regina that enhanced the Transit system.

Audible Stop announcements were installed making Transit more assessable for many customers by assisting them to know the next stop.

To respond to increasing demands for Paratransit use, two buses were added to the fleet and taxi use increased, reducing the unaccommodated refusal rate to 0.7.

MBN Canada Highlights

Measure	2016 Result	MBN Canada Median	MBN Canada Range
Total cost per revenue vehicle hour	$112.65	$132.95	$102.45 – $206.30

Waste Management

Landfill Gas to Energy facility became operational, converting gas from waste decomposition into electrical power. The power is sold to SaskPower. This facility produces enough electricity to power up to 1,000 houses.

The City provided depot options for items that can be recycled and composted but not included in curbside collection, and for materials that are not safe to dispose of at the landfill.

Residents diverted more than 546 tonnes of material from the landfill in 2016 through City-run depot events - a 24% increase over 2015.

The City provided waste and recycling curbside services to approximately 64,400 single-family residential properties - a 2.9% increase in households since 2014.

MBN Canada Highlights

Measure	2016 Result	MBN Canada Median	MBN Canada Range
Total cost for solid waste disposal per tonne	$28	$92	$17–$135

The City received $750,000 in funding from Multi-Material Stewardship Western - a stewardship program funded by paper and packaging generators to offset the cost of recycling their products. These funds are used to support the City's recycling program.

Water/Wastewater

The Wastewater Treatment Plant met substantial completion on schedule on December 31, 2016. An additional $6 million in construction savings were realized as project contingency funding was not required.

A Water Master Plan was developed in 2016 with the final report being delivered in 2017. The Plan will generate a 25-year capital plan which is prioritized to reduce risk and meet financial, operational and regulatory requirements to achieve the vision set out by the OCP.

Investment in our drainage system continued with the completion of the new dry bottom detention pond on Lewvan Drive and Parliament Avenue, and the start of construction on a new detention pond along Arcola Avenue north of Victoria Street.

Design work to advance the Trunk Relief Initiative and reduce the risk of wastewater overflows and sewer backups continued in 2016. The first project is the construction of the third forcemain from McCarthy Boulevard Pumping Station to the WWTP, which is scheduled to begin in early 2017.

The design and construction of a new UV Disinfection Facility continued at the Buffalo Pound Water Treatment Plant. As well, work continued to advance the planned electrical upgrades which will provide needed redundancies and reduce the risk of a water shortage.

General Government

The 2016 Municipal/School Board Election was completed with all legislative requirements being met. Elections Regina focused on communication through the dedicated website which received numerous accolades for the ease of use and the completeness of the information.

Ballot on Demand was used at the drive-through advance polling station located outside of City Hall.

The success of this initiative has prompted investigation of using Ballot on Demand for all advance polls during the 2020 Municipal/School Board Election.

Process and procedures were established to enable the data collection and reporting of Key Performance Indicators in accordance with the MBNCanada standards.

Support Services

Information Technology

The Planning and Building Software project kicked off in 2016. This project will update the technology and processes for issuing and tracking development of commercial and residential building permits. The City is continuing to experience an increased demand for development and building approvals, making improvements to meet this demand a priority.

Information Technology Services extended the Broadband Municipal Area Network to provide technology foundational for improvements in traffic signal management and enhancements to emergency management systems.

In partnership with SaskTel, public Wi-Fi was installed at 20 city facilities.

MBN Canada Highlights

Measure	2016 Result	MBN Canada Median	MBN Canada Range
Total cost for information technology per municipal FTE	$4,419	$4,184	$2,352 – $10,658

Facilities

In 2016 a Corporate Facilities Master Plan (CFMP) was completed. The purpose of the CFMP is to provide a framework for long-term decision making related to City facilities.

The CFMP provides a comprehensive strategic process for renewal prioritization management and investment in corporate facility assets for the next 25 years. The CFMP describes the current state of the facilities assets; provides a prioritization mechanism for major facility renewal projects; describes an implementation framework (including scale, timing and phasing); identifies financial requirements, and impacts, and will be an input to the Long Range Financial Plan.

In 2016, New Building Canada Grant funding was approved for a Transit Fleet Maintenance Facility. The City, the provincial and the federal government are each contributing about a third to the project, which will be used to fix and maintain the City's fleet of buses.

The new 60,000 square foot building, expected to be completed in 2019, will replace the existing, smaller, 67-year-old facility, which had outlived its usefulness.

MBN Canada Highlights

Measure	2016 Result	MBN Canada Median	MBN Canada Range
Total cost for facility operations for headquarter building per square foot	$11.69	$13.68	$8.72 – $23.86

Finance

Implementation of a new planning, budgeting and forecasting system continues and will provide the City with access to data that will support improved information for decision-making.

Work continued to develop and implement the Long Range Financial Plan. The Long Range Financial Plan will enable more detailed conversations about the impact of current decisions on existing and future services and the trade-offs required to support decisions.

A long-term funding model was established to align Parks & Open Space service levels with the new open space maintenance requirements taken on as a result of new and re-established subdivision development.

A user fee at the Snow Storage Site was implemented in November 2016, with the intention of recovering the costs associated with storing snow from the private sector. This change is in line with the OCP's emphasis on financing programs and services using a benefits model.

MBN Canada Highlights

Measure	2016 Result	MBN Canada Median	MBN Canada Range
Gross percent realized return on total investment portfolio	4.67%	2.41%	1.05% - 6.05%

A new Hauled Wastewater Station was constructed and a new Hauled Wastewater Program is being developed.

This new facility will allow the City to enforce *The Wastewater and Storm Water Bylaw, 2016 No. 2016-24* to protect the Wastewater Treatment Plant and the environment. The program includes a revised permitting system for haulers in order to operate the facility using a full cost-recovery business model.

Human Resources

The City's ongoing commitment to Workplace Health and Safety is reflected in the achievement of reaching the 2016 target of reducing Lost Time Injuries by 10% over the previous year.

Improvements to administration and governance of the City's benefits programs continued, enabled by implementation of Oracle Advanced Benefits module and interface with the benefit's carrier.

Four collective agreements (CUPE Local 21, CUPE Local 7, Amalgamated Transit Union #588 and International Association of Fire Fighters #181) all expired at the end of 2015. In 2016 negotiations with the four unions commenced. Amalgamated Transit Union #588 and CUPE Local 7 and the City developed and signed off on new agreements in 2016.

An agreement was reached with CUPE Local 21 in the first quarter of 2017. Negotiations will continue with the International Association of Fire Firefighters #181 in 2017.

MBN Canada Highlights

Measure	2016 Result	MBN Canada Median	MBN Canada Range
Total cost for human resources administration per T4 supported	$1,345	$978	$636 – $2,050

Service Partners

The City works with a number of related organizations whose financial results are consolidated with those of city operations for the purposes of financial reporting. Most of these service partners also publish their own performance results annually. Some highlights from each service partner follow.

Regina Police Service

The Regina Police Service takes a lead role in providing public safety in the City. Recognition of this role is embodied in the Service's vision statement of "Working together to keep Regina safe."

2016 Highlights

The Strategic Plan 2015-2018 is based on four strategic themes: service, communication, our people, and improvements. Below are highlights from 2016 under each of these strategic themes.

Service

The Regina Police Service developed a technology crime lab, which greatly increases the Service's capacity to extract evidence from electronic devices such as cell phones, tablets, lap-tops and computers in a timely manner.

The Regina Police Service and Regina Fire and Protective Services have refined their communication protocols and partnership to improve collaboration on investigations into suspicious fires.

The first full calendar year of operation for the Police and Crisis Team, or PACT, was 2016. This collaboration between the Regina Police Service and the Regina Qu'Appelle Health Region brings a police officer and mental health professional together to attend and diffuse mental health crisis situations. The team provides immediate support and connects persons-in-crisis with appropriate services within the Health Region instead of the criminal justice system, which in turn decreases repeat calls for service.

An Aboriginal Recruitment Liaison Officer position was created to focus on enhancing relationships and partnerships with Indigenous organizations in and around Regina in order to offer policing as a preferred career to promising candidates.

Communication

The Regina Police Service and File Hills Qu'Appelle Tribal Council signed the *Cooperation and Community Safety Protocol* on May 16. This protocol, which formalizes a longstanding relationship, identifies points of contact for each group to improve communication.

On April 14, 2016 the Regina Police Service hosted a half-day community consultation session with representatives from a wide cross-section of community-based organizations in Regina. Attendees provided input on issues related to policing in Regina, as well as suggestions to improve police service for their respective clients. The same participants attended a second session on June 6, 2016 during which the Regina Police Service shared the main takeaway messages, the current strategies in place to address those issues and future plans to better address their concerns. These sessions with community stakeholders will now be an annual occurrence.

The Regina Police Service, with the City, took part in MBN Canada to compare various standardized municipal-level data, including police data, among participating Canadian municipalities.

Regina Police Service members took part in various community engagement and outreach events throughout the year. Two examples in 2016 included CopShop, in which 20 police officers were paired with less-fortunate children for a Christmas shopping spree, as well as Pack the Cruiser, in which police vehicles were filled with donations for the Regina & District Food Bank.

Our People

In 2015, the Province of Saskatchewan approved the use of carbine rifles by Patrol officers. There were 46 officers trained in 2016, the first in a three-year roll-out to train and equip 50% of Patrol officers with carbine rifles.

The Regina Police Service continues to provide ongoing training for its employees, focused on improving their skills and keeping up-to-date with the complex and diverse demands of modern policing. Along with the regular yearly mandatory training and qualifications, the Regina Police Service is focusing on leadership training, including pro-active policing, leadership in policing organizations, women's leadership and senior police administration.

Both sworn and civilian staff received "Road to Mental Readiness" (R2MR) training in 2016, which promotes mental wellness and resiliency within a policing environment.

The Wellness Coordinator continues to offer fitness classes, organize the annual Half Marathon and implement an 'at work' Weight Watchers program for employees and their families.

Improvements

A consultant is being utilized to help the Service develop automated data reports to measure the activities and workload of Patrol members. These reports will reflect the volume and types of calls for service, measure the Service's ability to meet call response standards, inform resource deployment strategies, and determine if Patrol officers are able to meet reactive and proactive objectives.

The Emergency Services Training Centre – an outdoor training area for practicing tactical operations – has been upgraded using funds from the Provincial Civil Forfeiture/Proceeds of Crime Fund. Upgrades in 2016 included providing electricity to the site, heat for the building and installing a "close quarters battle" catwalk.

In 2016, e-Ticketing was piloted with the Traffic Safety Unit. This new technology for issuing tickets during traffic stops will save time for both officers and the public. The e-Ticketing technology will be expanded to all Patrol vehicles in 2017.

A substantial renovation project to the Headquarters Building was completed in 2016. Renovations included improvements to the front-desk and criminal record check areas, as well as improved use of office space.

The Communications Centre completed a substantial technological upgrade in 2016, which enabled advances such as text-to-911 for the hearing impaired, tracking telephone call histories and the ability to receive location changes on cellular telephone calls.

Buffalo Pound Water Treatment Corporation

The Water Treatment Plant (WTP) met all and bettered many of the regulatory requirements and criteria for the production of safe drinking water in 2016. There was a small operating deficit of approximately $50,000 at year-end, largely a result of optimistic sales forecasts but fortunately tempered by reduced chemical expenditures.

One of the most significant changes at WTP since it was established over 60 years ago occurred in 2016. The previous Buffalo Pound Water Administration Board consisting of city employees was changed to the incorporated, not-for-profit Buffalo Pound Water Treatment Corporation with an independent Board of Directors. The new Board is responsible for the governance and oversight of the Corporation.

There were no significant production challenges or critical infrastructure failures during the year, but the source water and equipment risks encountered in 2015 remain.

WTP is committed to reducing those risks through effective planning, targeted research and by continuing to improve and execute our asset management strategy.

The raw water quality of Buffalo Pound Lake improved slightly and resulted in a slight reduction of chemical costs.

The WTP was reorganized during the year, which created three distinct divisions for each business function of the Corporation. Those divisions are: Water Lab & Research, Operations & Safety, and Maintenance & Engineering. The Operations & Safety Manager was hired early in the year and the Corporation is currently recruiting for the Maintenance & Engineering Manager.

The Corporation's first Safety Management System Framework was developed and the Safety Manual was completed. The Corporation joined the Safety Association of Saskatchewan Manufacturers for third party auditing and to act as an advisor.

Water quality research continued during the year. Main topics of research included: what impacts chlorination and pH have on the water treatment process, production of disinfection by-products and the corrosiveness of treated water. This is important research that will be used in future process improvements.

Major capital projects continued with the construction of the ultraviolet treatment system. The Main Plant electrical substation and generator design work is progressing exceptionally well and will be tender-ready in early 2017.

In an effort to continuously improve how we manage our assets, the capital planning process was completely reworked in 2016. This new process places a greater emphasis on pre-planning work to clearly identify the scope, obtain cost estimates, prioritize and formalize process. This results in the streamlining of project work.

By year-end, all projects were either completed or underway. Approximately $1.8 million was spent during 2016, and approximately $1.0 million of project work was carried forward into 2017 to complete projects from the previous year. The Capital Reserve Fund for future work has grown to $1.7 million.

There have been some issues related to the water sales forecasts the Corporation has received from both the Cities of Regina and Moose Jaw. Forecasted water sales have far exceeded actual water sales.

Consequently, the Corporation has adopted a probabilistic forecasting method. It is anticipated that this will reduce the consistent occurrences of inflated water sales forecasts.

With thanks to the WTP management team and staff for their hard work and dedication, and to the Board of Directors for their insight and input, the Corporation was able to meet its mandate and objectives during the course of the year - to supply safe, dependable and affordable water to our customers.

Economic Development Regina

Economic Development Regina Inc. (EDR) is responsible for providing leadership for economic growth to the City and the community, with specific accountability for the following core functions:

- Support industry growth and diversification through retention, development and attraction of business and tourism
- Find innovative ways to support the community in sustaining growth while effectively addressing the challenges of growth
- Market and promote the Greater Regina Area (GRA) for business and tourism
- Ensure the GRA prospers as a vibrant and diversified economy for investors, is a strong destination experience for visitors and a place of choice with a high quality of life for residents

Our annual strategic business plan is designed to help the City achieve EDR's 2020+ vision: The GRA prospers as a vibrant and diversified economy for investors, a strong destination experience for visitors, and a place of choice with a high standard and quality of life for residents.

Eight key sectors have emerged with sector teams who drive activity, awareness, intelligence and excellence.

Events, conventions and tradeshows drive over $50 million annually to the local economy.

The Greater Regina Area is perceived to be the most desirable place to invest, live, play and work in Canada.

Citizens of Regina are bursting with confidence and pride for their City.

EDR is the catalyst for driving economic growth and advancement in the Greater Regina Area.

Long-term Goals
Increase the GRA profile as an economic and entrepreneurial powerhouse in targeted sectors.

The GRA is nationally recognized as an economic and entrepreneurial powerhouse in targeted sectors.

The GRA is one of the top places to start and grow a business.

The agri-value sector has grown from $300 million of GDP to over $1billion and has doubled total employment in the sector.

The Manufacturing sector has grown from $6.8 billion in sales, to over $10 billion, and from 6,500 employees to over 10,000.

Events, conventions, and tradeshows has grown from $25 million in economic impact to $50 million.

The Tourism sector has grown the GRA to be a destination of choice for over 2.5 million visitors annually.

Advancing the OCP
EDR's long-term strategic plan is aligned with the OCP, specifically the City's provisions on economic growth, including:

- Establish and implement mechanisms to expand and diversify the economy, promote the attractiveness of the GRA as a place to live, invest, do business and visit

- Collaborate with community economic development stakeholders across the region to leverage shared economic advantages and tourism opportunities
- Encourage innovative options to support and incubate new entrepreneurs and commercial ventures

EDR 2016 Highlights
Phase 1 of the Regina Advantage initiative was launched, which identifies and articulates the GRA's strategic advantages to create a succinct, competitive identity, focused on growing the economy, our unique features and assets. It will support pride of place, and positions the GRA as a desirable place to live, work, learn, visit and invest.

EDR works closely with a number of stakeholders, in particular the Regina Hotel Association. Events, conventions and tradeshows secured during 2016 are expected to generate more than $30 million worth of estimated economic impact in future years.

The Tourism Ambassador program was launched to support and enhance our #SeeYQR campaign. The program has been a great success with three ambassadors chosen and partnerships with many key stakeholders including Canadian Western Agribition, Regina Downtown Business Improvement District, the City, Saskatchewan Roughriders and the Regina Folk Festival. Initial results have been positive with EDR's organic reach on social media and the website.

The Agri-value Sector Strategy was completed, launched, and is actively being executed. The strategy, based on EDR's Strategic Growth Pillars, contains 31 short- and long-term action items to build capacity and foster economic growth.

An oil and gas import replacement opportunity assessment was completed and the development of an Entrepreneurial Strategy was initiated.

Enterprise and Tourism collaborated on the Great Canadian Pulse Off. The week-long campaign was supported through AGT Foods' title sponsorship and included the active participation and support of 11 partner organizations and five local restaurants.

The campaign included a restaurant competition, industry events, public awareness campaign and media tour, which featured local, national and international media.

The Alliance for Events, Conventions and Tradeshows (ECT) continues to provide high-level strategic direction, enhancing Regina's positioning as a destination for ECT. Through the Events Regina and Conventions Regina partnerships, 33 expressions of interest and bids were prepared in order to attract national and international ECT to Regina.

Stakeholder and partner investments (i.e. cash and value-in-kind) in EDR totals more than $940,000 in 2016, leveraging the City's core investment .55: 1.00 (stakeholder and partner investment to City core investment).

A Business Growth & Expansion Assessment Tool was launched, which formalizes EDR's pathfinding and economic gardening services. The assessment analyzes internal and external business challenges, which can preclude business growth.

There was a 69% increase in Tourism Regina website visitors with 59% of traffic from mobile devices.

An enhanced visitor experience was provided, through our event activation services, to 25,000 visitors to the City.

EDR's Investment Concierge Service was initiated, providing free and confidential business intelligence and pathfinding services to investors. The office worked on investment prospects valued at over $300 million.

2016 was a year of many successes, and a transitional year to position EDR and Regina to achieve all of its 2017 goals and objectives. With the full realization of the Regina Advantage, implementation of Regina's first Entrepreneurship Strategy and continuation of our smart growth strategies, we look forward to the continued growth and stability of the GRA in 2017.

The Regina Exhibition Association Limited (Evraz Place)

The Regina Exhibition Association Limited (REAL) operates Evraz Place to enrich the quality of life for people in the community through the hosting and delivery of local, regional, national and international events.

REAL is an arms-length, entrepreneurial, non-profit organization owned by the City and governed by an independent Board of Directors appointed by City Council. Profits are reinvested in the business and the assets of Evraz Place.

In 2016, REAL achieved the following results:

- Earned revenue of $32.9 million, in line with 2015
- Reported a net loss of $300,000, in line with REAL's Board approved 2016 Budget, reflecting an investment year in people and resources as the business prepared to take on the role of operating the new Mosaic Stadium, improving operational efficiencies, and preparing to open the International Trade Centre in 2017

- Held more than 480 catered events and fed nearly 55,000 people
- Hosted 50 tournaments in the Co-operators Centre and EventPlex
- Hosted four signature annual events, including Canada's Farm Progress Show, the Queen City Ex, Canadian Western Agribition and the Spring Home and Garden Show
- Held 31 trade and consumer events, including indoor car, RV and boat dealers, the Majestic Car Show, Fan Expo Regina and a number of consumer product shows and craft sales
- Hosted a range of concert and entertainment events, including Jerry Seinfeld, Florida Georgia Line, Marianas Trench, Walk Off The Earth, Five Finger Death Punch, Papa Roach, Volbeat, Theresa Caputo, Brad Paisley, City of Colour and Monster Trucks.

The bottom line was lower overall compared to 2015, largely due to higher cost of goods sold and economic conditions with the downturn in the oil and gas industry that affected the number and size of events.

The Sport and Recreation business continues to thrive, with continued growth in utilization through scheduling efficiencies and the high participation of hockey and soccer stakeholders in Regina.

The new International Trade Centre, which joins all remaining buildings on our 100-acre property (with the exception of the new Mosaic Stadium) and makes Evraz Place one of the largest interconnected event complexes in North America, is two-thirds complete with the opening of the completed building slated for November, 2018.

The new Mosaic Stadium, which was substantially completed on August 31, 2016 saw its first successful test event in October. REAL is the operator of the facility for the City.

Regina Downtown

The Regina Downtown Business Improvement District (RDBID) is an organization which provides a range of business and community services to promote and enhance downtown's unique assets, to improve conditions for businesses operating in the district, and improve the quality of life for those who shop, work, live and play downtown.

Previously the Downtown encompassed the 41 block area between Osler Street, Angus Street, Victoria Avenue, and Saskatchewan Drive. In March, City Council approved the boundary expansion of the RDBID south to 13th Avenue, along Broad Street between Victoria and College and East to Halifax Street from Saskatchewan Drive to 13th Avenue.

This area encompasses 125 commercial properties. Regina Downtown's services supplement those provided by the City.

Our 2016-2018 strategic plan, *Imagine Downtown – The Continuing Evolution of Regina's Downtown* was launched in March. In order to achieve our vision of downtown being a place where people want to be and businesses want to invest, RDBID created four key pillars to help objectives and outcomes be realized – membership engagement services, place-making, investment growth and transformational projects, and downtown advocacy.

Through the Imagine Downtown engagement process, it was found that Regina downtown's cachet continues to grow, bolstered by an ever-growing, diverse landscape of unique restaurants and pubs, niche retailers, and marquis events and festivals. More than ever, there are more places to go, and more things to see and do.

In 2016, ten new businesses opened in downtown Regina. These new businesses included restaurants and pubs, retail, health and fitness and service.

Twelve restaurants have opened patios throughout downtown, adding to our vibrancy.

City Square Plaza is home to twelve food trucks which serve a wide variety of menus throughout the summer months.

Our annual 2016 pedestrian count showed a 10% increase in downtown pedestrian/bicycle traffic since 2015.

The *Info on the Go* team is RDBID's visitor service team. They provide support at most downtown events and programs, assistance with membership engagement and had a key role in the Imagine Downtown public engagement process. In 2016, they had a very similar reach to 2015 which was over 12,500 public interactions.

Attendance at six outdoor Cinema Under the Stars movie nights reached more than 9,000 people - a 41% increase from 2015.

Almost 1,200 people took to the ice rink at Victoria Park during our 2015-2016 season.

Downtown Regina is also the heart of arts, culture and heritage for the community. Many of our projects and initiatives embraced Regina's collective cultural values, including:

- art{outside} – a collaboration with the MacKenzie Art Gallery – returned for a second year. The initiative, which originally launched during Culture Days 2015, involved the temporary installation of artwork reproductions from the MacKenzie Art Gallery collection. The six installations at City Hall and Victoria Park, curated by the MacKenzie, have helped showcase the power of art in our community reaching the eyes and attention of over 100,000 downtown visitors since its launch.
- A tour was held highlighting the significant heritage and cultural events that have transpired in Regina over the past 130 years, the Downtown Regina Cultural Trailway shone a light on thirteen important people, places and events within our City and garnered very positive local media attention.
- Thousands of onlookers and art enthusiasts enjoyed the fourth annual Pop Up Downtown that ran from September to the end of 2016. A public art installation (and partnership with the Creative City Centre) the eight original artworks found throughout the downtown core brought an increased sense of liveliness and were further promoted through audio and walking tours.

Ensuring Downtown Regina is clean and safe is one of our most important mandates. To support our efforts, RDBID employs the Downtown Clean Team, who perform maintenance and cleaning tasks, including sweeping sidewalks, collecting rubbish, removing litter from public amenities, reporting streetlight outages, as well as removing and reporting graffiti as needed.

We also work closely with the Regina Police Service and other community service providers to ensure the safety of everyone who comes downtown.

In 2016, 652 bags of litter and garbage were collected in the downtown, an increase of 13% from 2015. This is over and above the garbage deposited in City of Regina waste bins.

Our Clean Team removed 773 graffiti tags from downtown properties and street furniture - an increase of 37% from 2015.

Our sidewalk sweeper covered 945 km of downtown sidewalks - an increase of 25% from 2015

Regina Police Service Downtown BEAT spent more than 4,000 hours patrolling downtown on foot and over 800 hours on their bikes.

Much of what the Beat officers do is proactive policing. They are interacting with the public and business owners downtown in addition to responding for calls for service.

Beat officers had over 1,500 contacts with downtown business owners and employees in 2016. The Beat is often at downtown events ensuring that everyone is enjoying downtown responsibly. They attended over 100 events downtown in 2016.

Six Downtown Dialogue meetings were held with our members in 2016 to discuss safety, security, summer events, social media and potential future partnerships with other organizations in the City.

The RDBID teamed up with Regina food trucks and the Street Culture team to feed the homeless through Soup in the Park - an initiative that provides hot soup and services to hundreds of at-risk youth.

Warehouse District

The City's Warehouse Business Improvement District (WBID) was established in 2003 to promote and enhance the district's unique warehouse area and historical assets, enhance business conditions and improve the quality of life for those that live, work and utilize the area.

The WBID services 80 blocks of Regina, within the boundaries of Albert Street to Winnipeg Street and 4th Avenue to the CPR tracks. The district is home to both modern and historic Chicago-style buildings, built in the early 1900s. In 2015, the WBID welcomed five new board members and a New Executive Director.

2016 highlights include:

- Added five new members to the Board of Directors
- Commemorated Linear Park - the site of the original home to the Roughriders - with a ribbon cutting in August
- Participated in discussions on the City of Regina Railyard Renewal Project
- Participated in the City of Regina Cultural Plan Engagement session
- Launched a new website with a fresh clean look that gives members the opportunity to login and update their own information, along with their logo or advertisement
- Revamped the 13th annual clean-up day held April 29, 2016 with members cleaning up their properties and bringing the trash to the main staging area, where the North Central Family Centre held a fundraising hot dog sale - 3.97 tons of trash were collected bringing the total to 75.09 tons since the inception of this annual event
- Engaged a Clean-Up Crew in the District from May through October and continued a partnership with the North Central Family Centre team
- Held the annual Jane's Walk on May 7, 2016 which saw 30 individuals attend an informative talk and walk around the Warehouse District led by Carey Isaak.
- Published four editions of the newsletter.
- Introduced member networking events with four events held at various member locations - each event brought out 20 – 25 people.
- Partnered with RDBID and the Saskatchewan Roughriders to host the Final Farewell Party in the Districts
- Held a Christmas in the District event December 17 where Santa joined participants on a horse and carriage ride around the district, singing carols and enjoying the day. In partnership with this event, Centennial mall had various activities going on inside the mall with face painting, crafts and photos with Santa.

Regina Public Library

Mâmawêyatitân Centre

Regina Public Library (RPL) continued to provide leadership for the unique partnership and ongoing construction of the Mâmawêyatitân Centre, the new home for Scott Collegiate, a child care facility, a number of multipurpose recreation spaces, Regina Public Library's Albert Branch, a community policing centre, and community-based organizations currently working through the Albert Scott Community Centre. Scheduled to open in fall 2017, the building's unique design will allow each tenant access to shared space and amenities, making total usable space more than if each partner were to build stand-alone facilities.

George Bothwell Branch

RPL renovated the George Bothwell Branch in 2016. The changes to the branch have improved our ability to meet community expectations and support delivery of programs and services well into the future. The new branch is functional, flexible, inspiring, inviting, and welcoming to all.

In preparation for the expansion and renovation of its existing space, the George Bothwell Branch was relocated to a smaller space in May 2016. Despite the smaller footprint and reduced services and collections, many positive outcomes were recognized:

- The hours of operation in the temporary space remained the same as the original branch
- The number of visitors did not change significantly
- More materials were checked in at the branch in 2016 than the same time frame in 2015

Connecting to Business

RPL's first annual small business fair was held in fall 2016 and featured information and learning opportunities to celebrate entrepreneurship, small businesses and the economic success of the city; to assist and support entrepreneurs and small businesses in the city; and to strengthen ties with the business community and promote RPL's role in supporting the economic success of the city. Fair organizers were very pleased with the turnout, and received considerable positive feedback about the success of the fair. Plans are already underway for a similar fair in 2017.

Addressing Newcomer Needs

RPL has been proactive in listening to our community regarding requests for non-English materials and has responded by offering more materials in other languages. In the last year we have:

- Added more resources in the Urdu language
- Developed a French children's collection at Connaught Branch
- Added an Arabic collection at Central Library in response to the arrival of Syrian refugees in Regina
- Introduced a young adult French fiction collection at Central

RPL has seen an increase in the number of patrons with dementia and memory loss, and has responded by developing a "Brain Fitness Kit" collection of specialized games, activities and puzzles as well as a set of programs based on the new collection.

New Technology

3D Printing launched at Central Library in late 2015. Throughout 2016, the program was expanded to include Glen Elm, Prince of Wales, Regent Place and the new George Bothwell branch to broaden the reach of audiences exposed to this newer technology.

In fall 2016, RPL introduced a Digitization Station at Central Library, providing opportunity for patrons to access technology to convert family keepsakes such as VHS tapes, photos, film, negatives, floppy discs, etc. to modern digital formats.

A Laptop Lending service was introduced in 2016 at Glen Elm and George Bothwell Branches, providing considerably-expanded access to computers while taking advantage of existing furnishings and comfortable spaces.

RPL introduced a virtual reality station to its program offering, providing patron access to cool new technologies that are rapidly emerging as mainstays in the marketplace, and making it available to all Regina citizens.

RPL initiated a project to assess the Prairie History collection for digitization to increase worldwide access to these resources. RPL continues to receive many requests for resources from people across the world and is frequently commended for its Prairie History resources.

Dunlop Art Gallery

The Dunlop Art Gallery co-organized the Dylan Miner Collaborative Residency Project: *Native Kids Ride Bikes* with the MacKenzie Art Gallery. Dylan Miner is a Métis artist from Michigan who worked with four Regina Aboriginal artists in four community groups who worked with youth to build and decorate lowrider bicycles.

The initiative encouraged intergenerational collaboration and exchange, and honoured traditional stories, knowledge, and art making techniques, as well urban lowrider culture. Approximately 64 youth, most of who are of Indigenous descent, participated in the event. The resulting pieces were exhibited at the Dunlop Art Gallery from September 25 to October 1, 2016 and viewed by approximately 2,000 visitors.

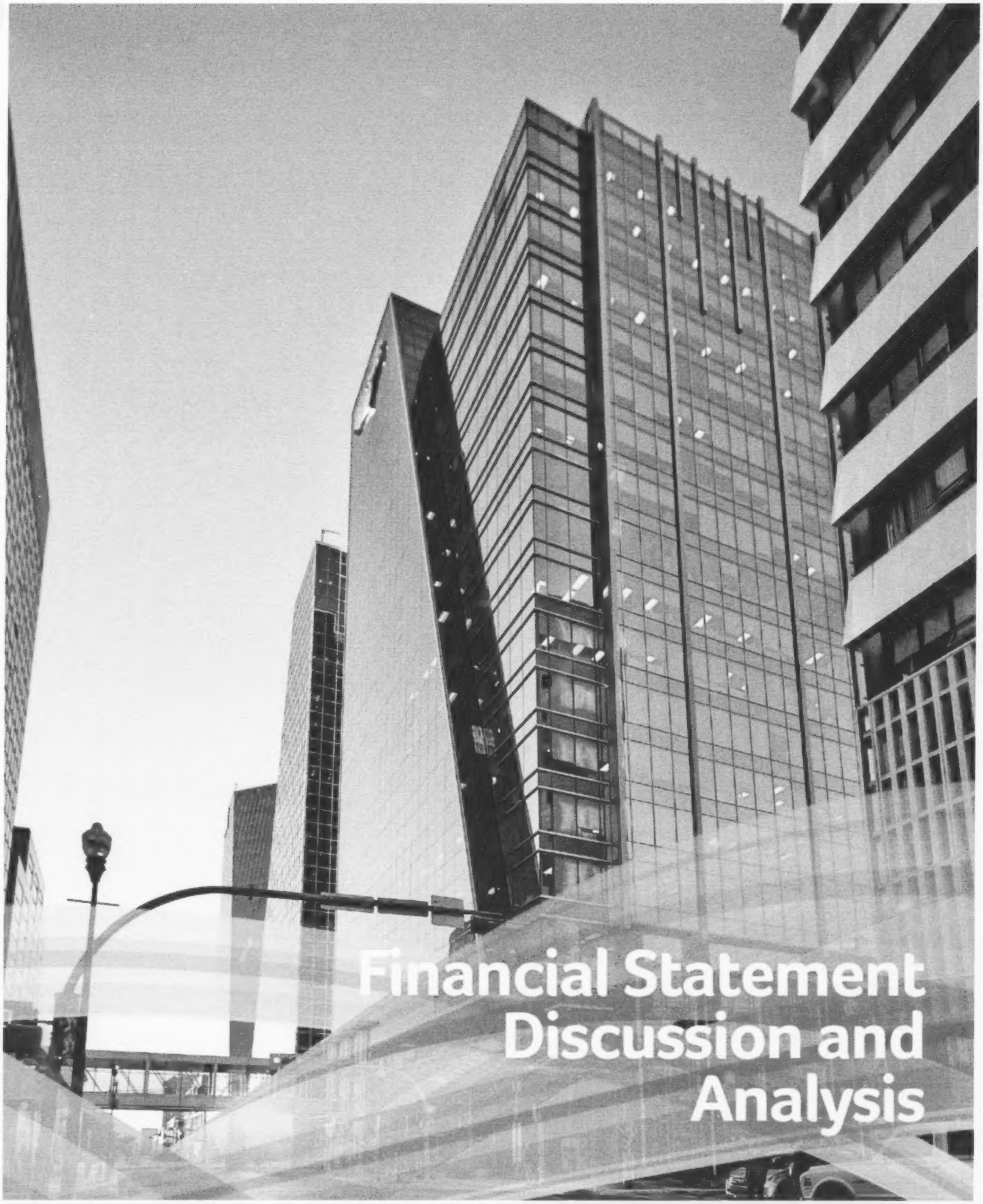
Outreach Services

Through RPL's continued work with our community partners, the Outreach Services Unit created three new Outreach programs: *Get Together With Technology, Writing Workshop for People with Vision Loss,* and *Unique Like Us*. These programs build on relationships with key community groups and respond directly to Outreach patrons needs.

RPL Film Theatre

In addition to regular weekly Film Theatre screenings of contemporary world cinema, the RPL Film Theatre engaged and collaborated with the community through more than 20 local, national and/or international partnerships including the city-wide *Caligari Project, AfroFest Regina; the Global Playing for Change Festival*; and international events including *Arthouse Theatre Day, Canada's Top Ten Film Festival* and *National Canadian Film Day.*

The theatre engaged a number of renowned Canadian filmmakers to attend screenings including Atom Egoyan, Daniel Cross, Mark Wihak, Brian Stockton; and Arizona investigative journalist John Dougherty.



Financial Statement Discussion and Analysis

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Message from the Chief Financial Officer

May 29, 2017

His Worship, the Mayor and Members of City Council

The preparation and presentation of the financial statements and related information contained in this annual report is the responsibility of the City's Administration. The consolidated financial statements are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Included in the consolidated financial statements are those entities that are accountable to and owned or controlled by the City of Regina. These entities include: Regina Public Library, Economic Development Regina, Buffalo Pound Water Treatment Corporation, The Regina Exhibition Association Limited (operating as Evraz Place); Regina Downtown Business Improvement District and Regina's Warehouse Business Improvement District.

City Council appointed the accounting firm of Deloitte LLP to perform an audit of the City's 2016 financial statements. Their report is included in this document. The City's system of internal controls helps maintain the integrity of our financial information. The Finance and Administration Committee reviews the external auditor's audit plan, and ensures corrective action is taken for weaknesses identified in the City's internal control system.

The City's operations are typically segmented (General Operating, General Capital, Utility Operating and Utility Capital) for budgeting and reporting purposes. In the financial statements, segment disclosure is also provided by divisional areas.

Based on the consolidated information, the following points are noted for 2016:

The City's (consolidated entity) net financial debt increased in 2016 by $1.2 million to a total of $70.9 million. This is generally attributable to the financing of major capital projects, namely the new Mosaic Stadium project and the Wastewater Treatment Plant upgrade.

Total revenues in 2016 were $745.8 million, an increase of $88.8 million from 2015. Total expenses in 2016 were $557.4 million, an increase of $69.9 million from 2015.

The planning, development and monitoring of the annual operating and capital budgets is a fundamental component of the City's financial administration. For 2016, the City's General Operating Fund ended the year with an operating surplus of approximately $3.2 million. The surplus is determined on a basis consistent with the presentation of the 2016 General Operating Budget before PSAS standards are consolidated and applied.
The City's achievement in providing accurate and articulate financial statements were recognized by the Government Finance Officers Association of the United States and Canada (GFOA) for the 24th consecutive year.

The GFOA awarded a Canadian Award for Financial Reporting to the City of Regina for its Annual Financial Report for the fiscal year ended December 31, 2015. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports. To be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily-readable and efficiently-organized annual financial report with content that conforms to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments and address user needs.

Sincerely,

Ian Rea
Chief Financial Officer

Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

INTRODUCTION

The discussion and analysis of the City of Regina's financial performance provides an overall review of the City's financial activities for the fiscal year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should review the "Introduction" and "City of Regina Performance in 2016" contained within the Annual Report, notes to the financial statements and financial statements to enhance their understanding of the corporation's service efforts and accomplishments from both financial and non-financial perspectives.

HIGHLIGHTS

The Consolidated Financial Statements combine the financial results of the City's divisions with the financial results of the agencies that are accountable to and controlled or owned by the City. These include:

- Regina Downtown Business Improvement District
- Regina's Warehouse Business Improvement District
- Economic Development Regina Inc.
- Regina Public Library
- Buffalo Pound Water Treatment Corporation
- Regina Exhibition Association Limited

Key financial highlights for 2016 are as follows:

- The 2016 Consolidated Financial Statements report net financial debt of $70.9 million, an increase of $1.2 million from $69.7 million at the end of 2015. The net financial debt position is due to the financing of major capital projects, namely the new Mosaic Stadium project and the Wastewater Treatment Plant upgrade, to meet the City's present and future demands.
- The 2016 Consolidated Financial Statements also show a surplus of $188.4 million compared to $169.5 million in 2015.
- The City's accumulated surplus increased from $1.8 billion at the end of 2015 to $2.0 billion at December 31, 2016. Virtually all of the accumulated surplus is tied up in non-financial assets, such as tangible capital assets, which represents the service capacity available for future period. Non-financial assets were $2.0 billion at the end of 2016.
- Revenues increased by $88.8 million and expenses increased by $69.9 million from 2015. The reason for the increase in revenue is primarily due to the increase in mill rate, government transfers, other capital contribution, and contribution of tangible capital assets. The increase in expense was partially due to amortization of the Stadium and the Wastewater Treatment Plant which were substantially complete in the year, landfill liability, and other operating expenses for the major projects.
- The City's reserves decreased by $18.0 million to $218.8 million. The reason for the decrease to the reserve balance was due to capital investments made in 2016.

Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

Demographic and Economic Information

	2016	2015	2014	2013	2012
Population*	215,106	223,000	217,490	232,090	226,000
Building permits					
Number	3,373	3,504	3,229	3,300	3,342
Values ($000)	605,248	675,795	628,109	734,737	773,273
Urban dwelling starts	1,452	3,093	1,954	3,122	3,093
Inflation rate for Regina (%)	1.1%	1.9%	2.4%	1.7%	1.8%
GDP Growth for Regina (%)	1.1%	1.6%	3.3%	3.5%	4.2%
Unemployment rate (%)					
Regina	5.0%	4.1%	4.2%	3.7%	3.6%
Saskatchewan	6.3%	5.5%	3.8%	4.0%	4.7%
Canada	7.0%	6.9%	6.9%	7.1%	7.2%
Average selling prices of homes ($)	312,080	311,235	313,903	311,047	301,332

*2016 population figures are based on the 2016 census. 2012 to 2015 population figures were estimated based on the 2011 census population and estimated growth trends.

Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

REVENUES

The City of Regina had total operating and capital revenue of $745.8 million in 2016. This is an increase of $88.8 million.

Table 1: Revenues - Budget to Actual and Prior Year Comparison

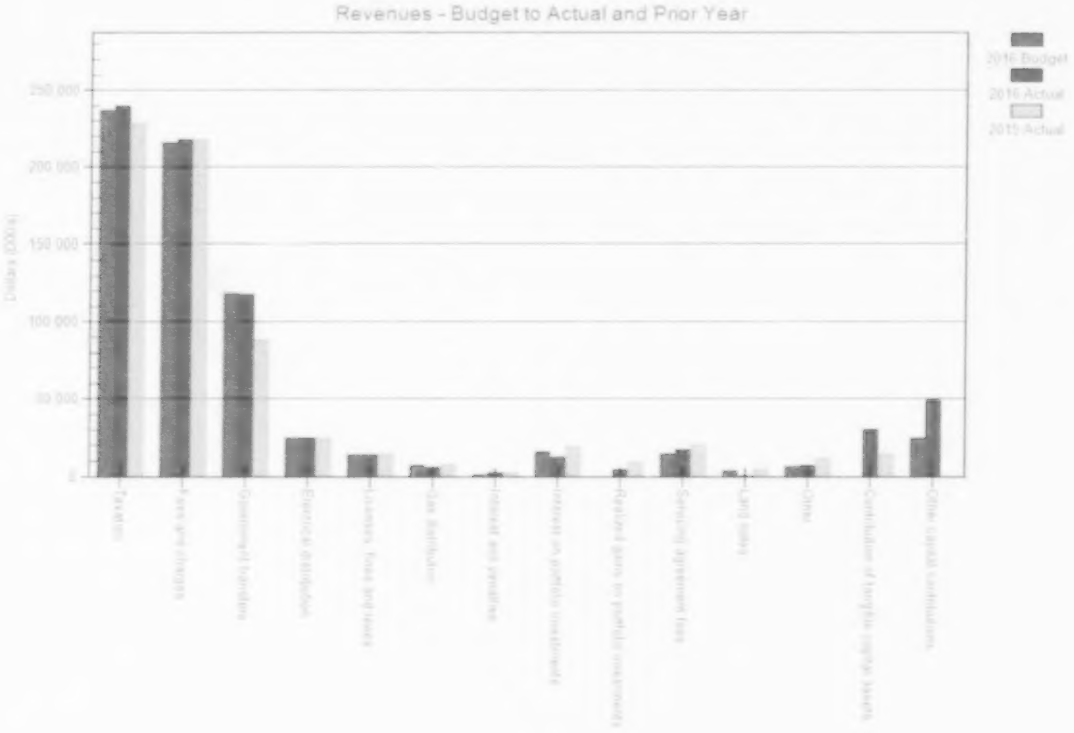
	2016 Budget	2016 Actual	Budget Variance Favourable (Unfavourable)	2015 Actual	Year over Year Increase (Decrease)
Taxation	237,488	240,148	2,660	227,973	12,175
Fees and charges	215,975	217,716	1,741	217,052	664
Government transfers	118,660	118,219	(441)	87,661	30,558
Electrical distribution	24,700	25,267	567	24,417	850
Licenses, fines and levies	14,282	13,846	(436)	14,211	(365)
Gas distribution	7,110	6,138	(972)	7,076	(938)
Interest and penalties	1,290	2,103	813	1,833	270
Interest on portfolio investments	15,795	12,913	(2,882)	18,940	(6,027)
Realized gains on portfolio investments	-	4,326	4,326	8,311	(3,985)
Servicing agreement fees	14,466	17,483	3,017	20,339	(2,856)
Land sales	3,503	533	(2,970)	3,877	(3,344)
Other	6,239	6,884	645	11,174	(4,290)
Contribution of tangible capital assets	-	30,638	30,638	14,114	16,524
Other capital contributions	25,000	49,565	24,565	-	49,565
	684,508	745,779	61,271	656,978	88,801

The schedule above includes both operating and capital revenues, and controlled subsidiaries.

Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

Table 2: Revenues - Budget to Actual and Prior Year

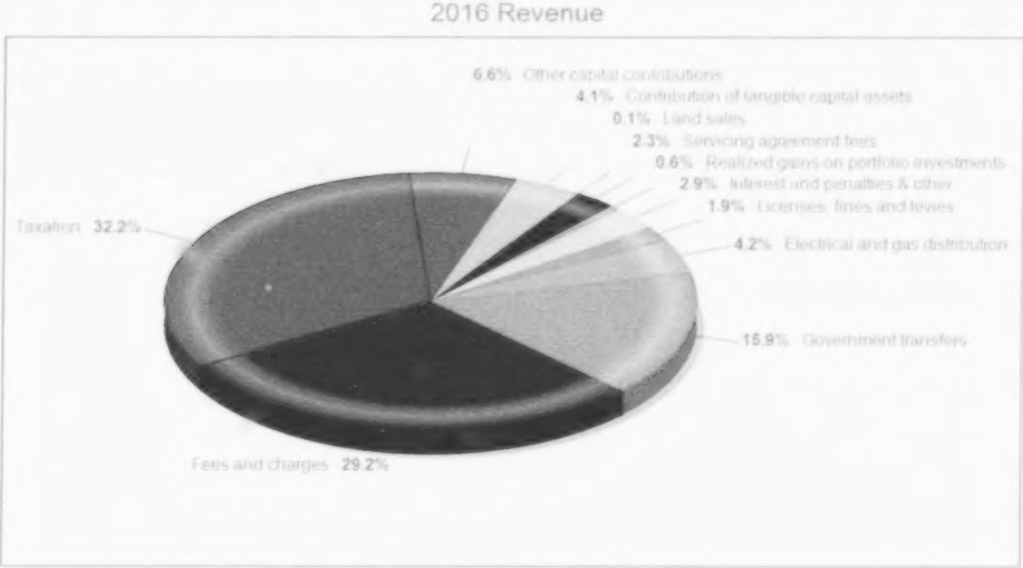


Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

Of the total revenue earned in the year, more than 61% (2015 - 66%) is attributed to taxation and fees.

Table 3: 2016 Revenue by Type



Taxation revenue for 2016 was $12.2 million higher when compared to 2015. This was primarily due to a 3.3% increase in the mill rate and new properties coming onto the assessment roll during the year.

Government transfers were $30.6 million higher than 2015 due gas tax funding from 2015 that was recognized in 2016 as per the new agreement, there were also more projects in 2016 funded by gas tax, therefore more revenue was recognized. The increase was also due to provincial contributions for the re-location of Pacer Park and $11.0 million of contributions The Regina Exhibition Association Limited received.

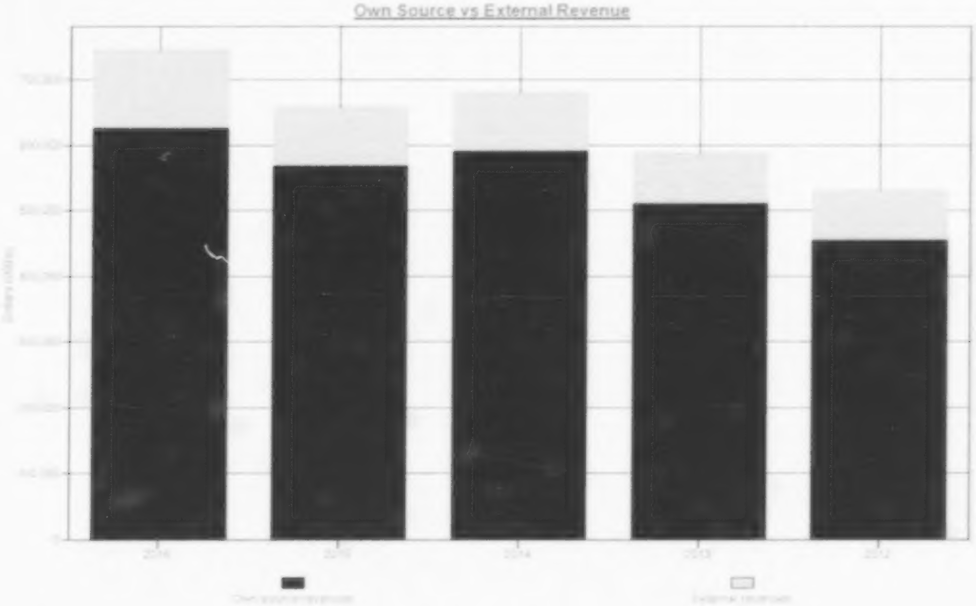
Servicing agreement fees for 2016 were $2.9 million lower than 2015. When a servicing agreement is entered into between the City and a developer, the fees collected are inflows of cash or accounts receivable to the City. Parks, roads and dedicated lands are initially recorded as deferred revenue pursuant to the revenue recognition principles. They are recorded as revenue when allocated to eligible projects. Utility servicing agreement fees are recorded as revenue upon receipt or signing of new servicing agreements in accordance with revenue recognition principles. Servicing agreement fees collected in a given year are recorded as revenue or deferred revenue based on these principles.

Contribution to tangible capital assets for 2016 were $30.6 million above budget since this item is not budgeted for. This revenue includes tangible capital assets, such as land, roads, and underground networks that the City receives at no cost or below fair market value as per development agreements. However, the City will be expected to maintain and rehabilitate these assets from this point forward.

Other capital contribution were $49.6 million in 2016 compared to $0 in 2015. These are capital contributions related to the new Mosaic Stadium.

The City's financial condition is reflected in the overall economic and financial environment and the City's ability to meet service commitments to the public, obligations to creditors, employees and others. Table 4 reflects a comparison of own-source revenue to external revenues.

Table 4: Own Source vs External Revenue



Own-source revenues, which include taxation, have increased over the past five years and generally external revenues have decreased, however in 2016 external revenues were higher due to higher than normal gas tax revenue. Gas tax funding from 2015 was recognized in 2016 as per the new agreement, there were also more projects in 2016 funded by gas tax, therefore more revenue was recognized

Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

Table 5 provides a summary of the total revenue collected over the last five years. The top five revenue sources include taxation, government transfers, fees and charges, other capital contributions and contribution of tangible capital assets (Table 5).

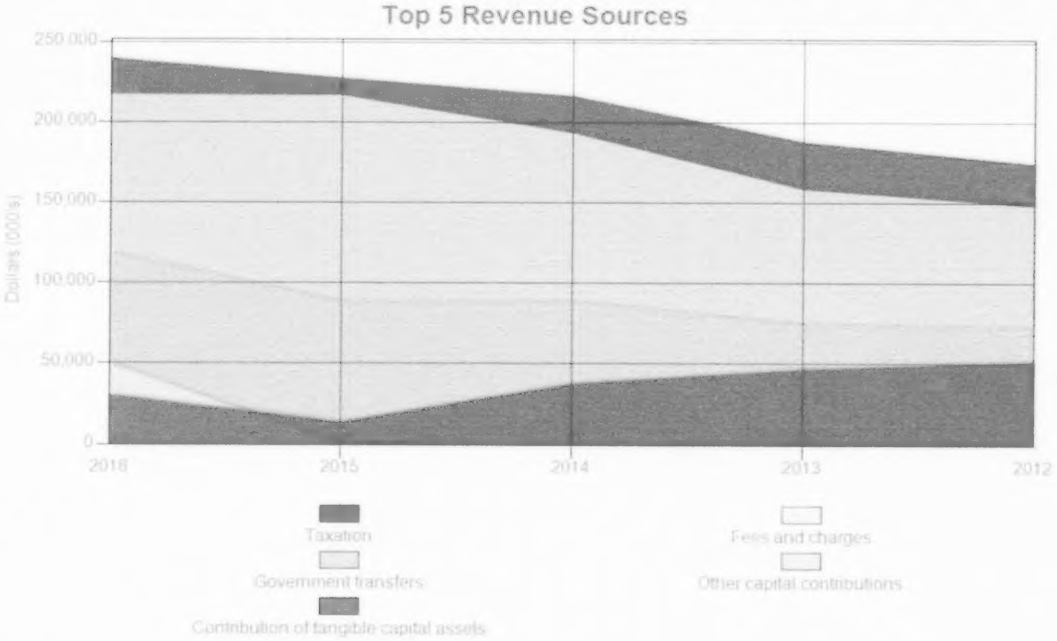
Table 5: Revenue Summary (Five Years)

Revenue Summary	**2016**	**2015**	**2014**	**2013**	**2012**
Taxation	240,148	227,973	216,711	200,326	174,843
Fees and charges	217,716	217,052	193,182	161,208	148,209
Government transfers	118,219	87,661	88,684	74,335	72,452
Electrical distribution	25,267	24,417	23,124	20,596	30,075
Licenses, fines and levies	13,846	14,211	13,394	11,814	11,421
Gas distribution	6,138	7,076	7,587	6,739	5,620
Interest and penalties	2,103	1,833	1,661	1,406	1,261
Interest on portfolio investments	12,913	18,940	15,024	9,665	8,580
Realized gains on portfolio investments	4,326	8,311	3,488	(1)	3,006
Servicing agreement fees	17,483	20,339	10,979	25,374	14,696
Land sales	533	3,877	7,735	18,128	2,667
Other	6,884	11,174	7,119	10,060	4,061
Contribution of tangible capital assets	30,638	14,114	37,745	46,980	51,753
Restructuring	-	-	54,086	-	-
Other capital contributions	49,565	-	-	-	-
	745,779	656,978	680,519	586,630	528,645

Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

Table 6: Top Five Revenue Sources



Further details on these five sources of revenue and the historical trend are described below.

Taxation revenue generally increases with growth and tax rate increases

Taxation revenues result from Municipal and Library Taxes levied on all properties in the city and business improvement levies assessed by the Business Improvement Districts on properties in the districts.

Property taxes are calculated by applying a mill rate and mill rate factor to each property assessment The mill rate and mill rate factor together are known as the tax rate

Table 7: Taxable Property Assessment

Taxable assessment x Mill rate x Mill rate factor = Property tax

Taxable Property Assessment
(in thousands of dollars)

Year	Total
2016	20,613,040
2015	19,700,181
2014	19,182,276
2013	18,611,010
2012	9,636,508

Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

Table 8: Mill Rates And Levies

	Mill Rates			Business Improvement Levies	
Year	Municipal	Library	Total	Regina Downtown	Regina's Warehouse Business Improvement District
2016	9.5920	0.9594	10.5514	0.7757	0.7588
2015	9.2856	0.9372	10.2228	0.7388	0.7588
2014	8.9371	0.9216	9.8587	0.7388	0.7588
2013*	8.4404	0.8947	9.3351	0.7388	0.7588
2012	15.1059	1.6221	16.7280	0.8874	0.9785

* 2013 was a reassessment year and the mill rates and business improvement levies were restated to revenue neutral rates.

Table 9: Municipal Mill Rate Factors

	Mill Rate Factors				
Property Class/Subclass	2016	2015	2014	2013	2012
Residential	0.87880	0.87880	0.87880	0.87880	0.90059
Condominiums	0.87880	0.87880	0.87880	0.87880	0.90059
Multi family residential	0.87880	0.87880	0.87880	0.87880	0.90059
Commercial and Industrial	1.32901	1.32901	1.32901	1.32901	1.22945
Golf courses	0.86359	0.86359	0.86359	0.86359	0.92187
Agriculture	1.32901	1.32901	1.32901	1.32901	1.22945

Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

Table 10: Tax Levies and Collection

	2016	2015	2014	2013	2012
Municipal tax levy	219,414	208,274	197,821	170,239	158,121
Global Transportation Hub Authority	1,742	1,591	1,268	-	-
School boards tax levy	127,017	122,026	119,687	115,717	115,480
Library tax levy	20,734	19,699	18,890	17,818	16,722
Total tax levy	368,907	351,590	337,666	303,774	290,323
Tax levy per capita - Municipal*	1,020	934	910	807	699
Tax levy per capita - School boards*	590	547	550	548	511
Tax levy per capita - Library*	96	88	87	84	74
Total tax levy per capita* ($)	1,706	1,569	1,547	1,438	1,284
Tax levy per household - Municipal**	2,354	2,281	2,208	1,948	1,858
Tax levy per household - School boards**	1,363	1,337	1,336	1,324	1,357
Tax levy per household - Library**	222	216	211	204	196
Total tax levy per household** ($)	3,939	3,834	3,755	3,476	3,411
Tax arrears, end of year (prior to allowance for doubtful accounts)	9,658	8,078	4,740	4,740	4,740
Arrears as a % of total tax levy	2.62%	2.31%	1.41%	1.56%	1.63%
Tax levy as a % of General operating revenue	29.42%	31.70%	29.07%	29.02%	29.91%
Total taxes collected	361,920	341,921	331,412	309,372	297,651

*2016 population figures are based on the 2016 census. 2012 to 2015 population figures were estimated based on the 2011 census population and estimated growth trends.

** Household figure as obtained from Stats Canada 2016 census. 2012-2015 population figures were based off the 2011 census.

Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

Table 11: Major Property Taxpayers in Regina in 2016

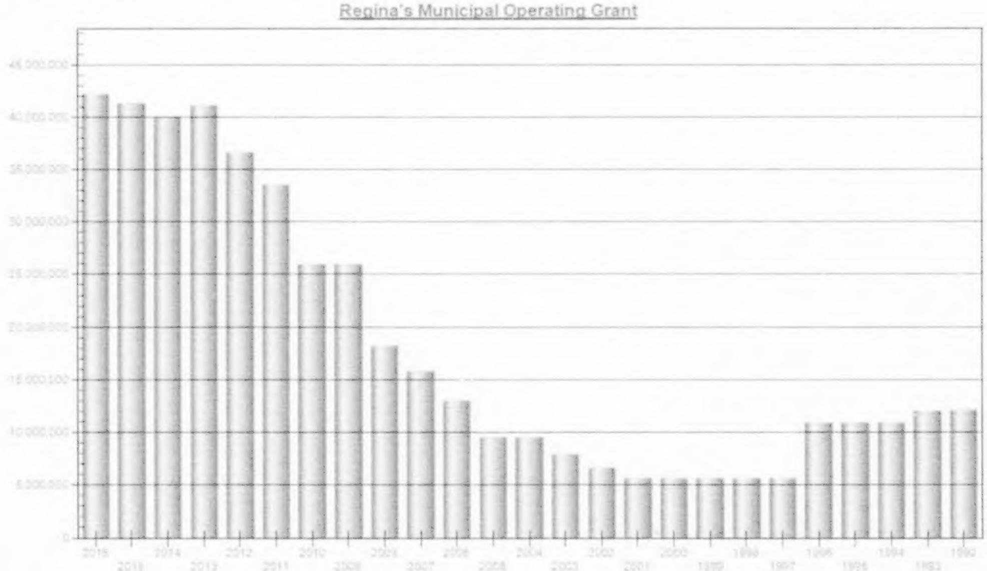
Registered Owner		Total Taxable Assessment	% of Total Taxable Assessment
1.	Consumers' Co-operative Refineries Ltd.	246,098	1.19%
2	Harvard Developments Inc	170,133	0.83%
3.	Boardwalk REIT Properties Holdings Ltd.	167,308	0.81%
4.	HDL Investments Inc.	143,260	0.69%
5.	Cornwall Centre Inc.	120,618	0.59%
6	Gordon Road Property Holdings Inc.	97,716	0.47%
7.	Regina Airport Authority	62,212	0.30%
8.	SGC Holdings Inc.	58,441	0.28%
9.	Westdale Construction Co. Ltd.	56,209	0.27%
10	Loblaw Properties West Inc	54,870	0.27%
11	101143561 Saskatchewan Ltd	53,466	0.26%
12.	Arts Victoria Square Ltd.	52,605	0.26%
13.	First Willow Developments Ltd	49,467	0.24%
14.	Regina Downtown Nominee Ltd.	47,824	0.23%
15	Enbridge Pipelines Inc	45,767	0.22%
	Total	1,425,994	6.91%
	Total 2016 taxable assessment	20,613,040	100.00%

The list of major taxpayers does not include properties where grant or payments in lieu of property tax are paid.

Fees and charges revenue has generally increased due to rate increases, with some increase over the past few years due to higher building activity.

Government transfers include both operating and capital transfers and reflects the variability in various Federal and Provincial capital grant programs. The Provincial municipal operating grant (previously known as revenue sharing grant) is the largest single grant program available to the City of Regina. Table 12 shows the Provincial municipal operating grants received by Regina since 1992.

Table 12: Municipal Operating Grants Trends



Electrical and gas distribution revenues reflect a trend of increasing rates for electricity and volatile rates for natural gas. Electrical consumption has been relative steady over the past ten years. Electrical and gas distribution revenues increased by 3.5% in 2016 when compared to 2015.

Contribution of tangible capital assets reflect a trend of increased development in the city.

Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

EXPENSES

The total operating expenses incurred by the City of Regina totaled $557.4 million in 2016. The increase in expense was partially due to amortization of the Stadium and the Wastewater Treatment Plant which were substantially complete in the year, landfill liability, and other operating expenses for the major projects.

Table 13: Expenses – Budget to Actual and Prior Year Comparison

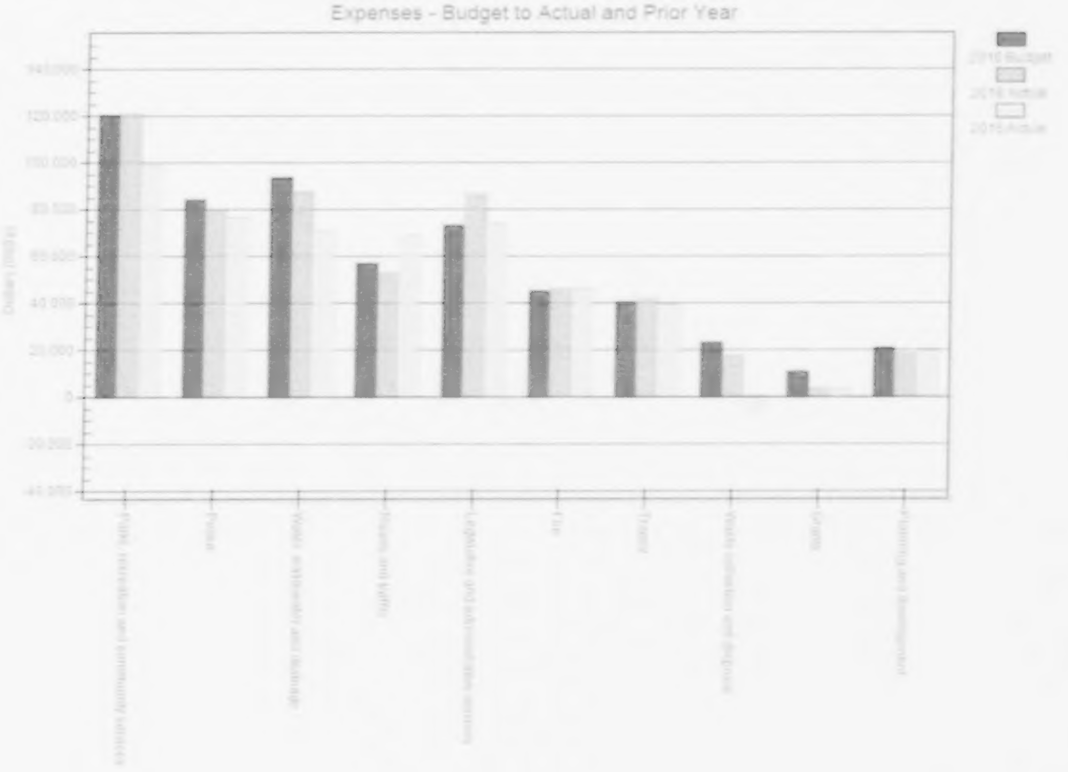
	2016 Budget	2016 Actual	Variance Favourable (Unfavourable)	2015 Actual	Increase (Decrease)
Parks, recreation and community services	120,491	121,148	(657)	98,529	22,619
Police	84,559	80,095	4,464	76,480	3,615
Legislative and administrative services	73,345	86,738	(13,393)	73,296	13,442
Water, wastewater and drainage	93,844	87,518	6,326	70,690	16,828
Roads and traffic	57,229	53,095	4,134	68,030	(14,935)
Fire	45,393	46,319	(926)	46,041	278
Transit	40,791	42,032	(1,241)	39,285	2,747
Waste collection and disposal	23,583	17,648	5,935	(8,128)	25,776
Grants	10,882	4,051	6,831	3,559	492
Planning and development	21,094	18,766	2,328	19,739	(973)
	571,211	557,410	13,801	487,521	69,889

The schedule above includes both operating and capital expenses, and controlled subsidiaries.

Of the total expenditures incurred, almost 67.4% is attributed to four areas: Parks, recreation and community services; Police; Legislative and administrative services and Water, wastewater and drainage.

(in thousands of dollars)

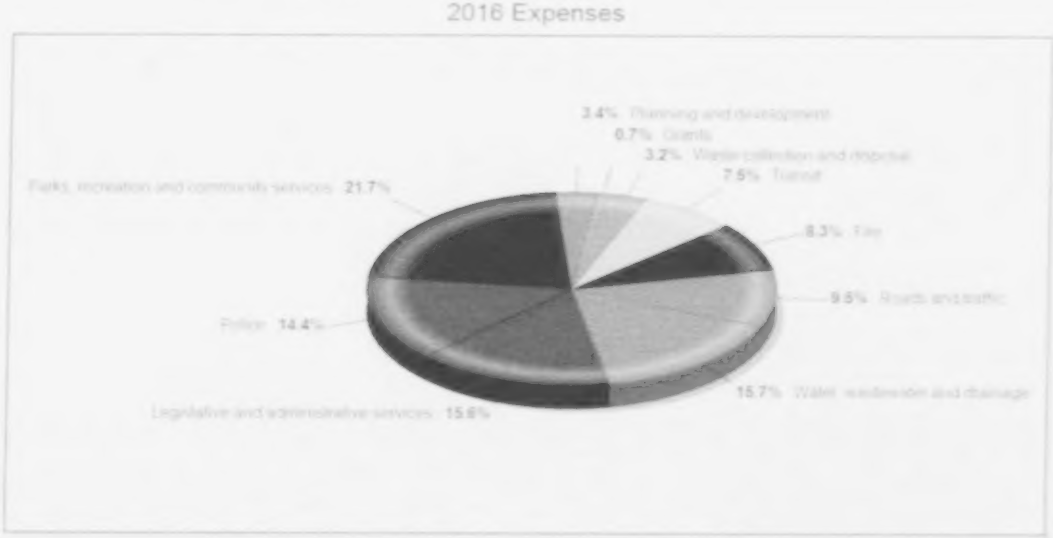
Table 14: Expenses – Budget to Actual and Prior Year



Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

Table 15: 2016 Expense by Type



Parks, recreation and community services expenses exceeded 2015 actual by $22.6 million. The Stadium is substantially complete and began being amortized in 2016, there were also expenses related to the Stadium that were not capital.

Police expenses were $3.6 million higher than 2015 results. Increase was due to general year over year increase as well as increase in wages and benefits as new positions were added.

Legislative and administrative services expenses were $13.4 million higher than budget and $13.4 million higher than 2015. This was due to increases in debenture debt interest, amortization expense, wages and benefits expense and land development cost.

Water, wastewater and drainage expenses were $16.8 million higher than 2015. This increase was due to the payments made to EPCOR for existing facilities operation and maintenance payments. Additionally, amortization expense and utilities relating to water, wastewater and drainage also increased during the year.

Roads and traffic expenses were $14.9 million lower than 2015. The reason for the decrease is 2015 was an unusually long construction season due to the short winter therefore substantially more work was done in 2015 than 2016, 2016 roads and traffic expenses are more comparable to 2014.

Waste Collection & Disposal expenses were $25.8 million above 2015 results primarily due to landfill liability expense.

Financial Statement Discussion and Analysis (December 31, 2016)

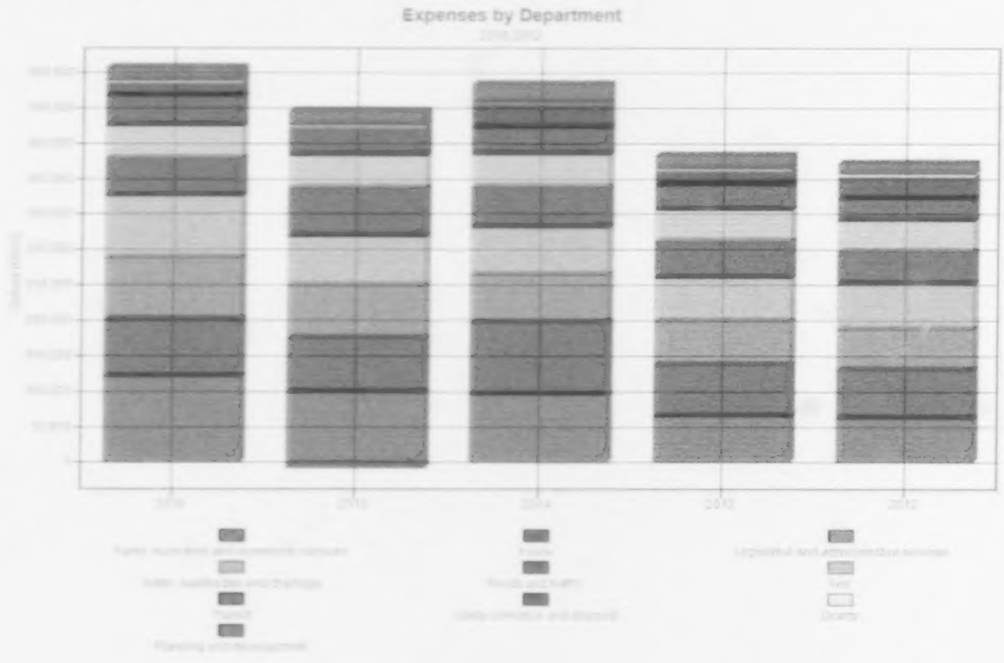
(in thousands of dollars)

An analysis of the significant trends in expenses indicate that while the City of Regina's expenses have increased by $135.8 million over the last five years (Table 16), the increase is less than the five year increase in revenues indicating that the corporation has maintained sufficient funding to support the current level of services. Table 17 provides a graphic representation on the historical expenses by department.

Table 16: Expense Summary (Five Years)

	2016	2015	2014	2013	2012
Parks, recreation and community services	121,148	98,529	95,132	64,050	61,422
Police	80,095	76,480	101,740	73,308	69,156
Legislative and administrative services	86,738	73,296	67,742	61,147	57,510
Water, wastewater and drainage	87,518	70,690	66,986	61,435	63,392
Roads and traffic	53,095	68,030	56,642	52,085	45,783
Fire	46,319	46,041	45,912	44,083	43,575
Transit	42,032	39,285	38,482	34,312	31,049
Waste collection and disposal	17,648	(8,128)	32,159	19,712	30,977
Grants	4,051	3,559	3,856	4,459	4,575
Planning and development	18,766	19,739	25,192	18,888	14,167
Total	557,410	487,521	533,843	433,479	421,606

Table 17: Expenses by Department



Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

Approximately 80% of the total expenses incurred by the City of Regina are attributed to wages and benefits, materials and contracted and general services. This has remained relatively constant for the last five years (Table 18) with wages and benefits making up more than 48% of the costs and material, supplies and contracted services being almost 32%. Table 19 and 20 provides a graphic representation on the historical expenses by object.

The number of people employed by the City of Regina in the last five years, including casual staff, is as follows:

2016 - 5,224*
2015 - 4,896*
2014 - 3,840**
2013 - 3,604**
2012 - 3,579**

* 2015-2016 This represents the number of employees paid during the year by the City of Regina and its related entities, which include: Buffalo Pound Water Treatment Corporation, Regina Downtown Business Improvement District, Regina's Warehouse Business Improvement District, Regina Public Library, The Regina Exhibition Association Limited and Economic Development Regina.

** 2011-2014 This represents the number of employees paid during the year by the City of Regina and its related entities, which include: Buffalo Pound, Regina Downtown Business Improvement District, Regina's Warehouse Business Improvement District.

Table 18: Expense by Object

	2016	2015	2014	2013	2012
Wages and benefits	279,101	263,796	282,881	226,631	218,347
Materials, supplies and other goods	66,326	29,834	84,794	70,867	70,456
Contracted and general services	101,843	90,106	71,357	52,065	55,474
Transfer payments/grants	5,840	5,775	4,720	5,485	5,942
Utilities	17,407	18,324	15,380	16,110	12,557
Interest and bank charges	9,118	9,342	8,395	3,567	3,547
Amortization of tangible assets	77,775	70,344	66,316	58,754	55,283
Total	557,410	487,521	533,843	433,479	421,606

Table 19 and 20 illustrate total expenses by object.

Table 19: Expense by Object

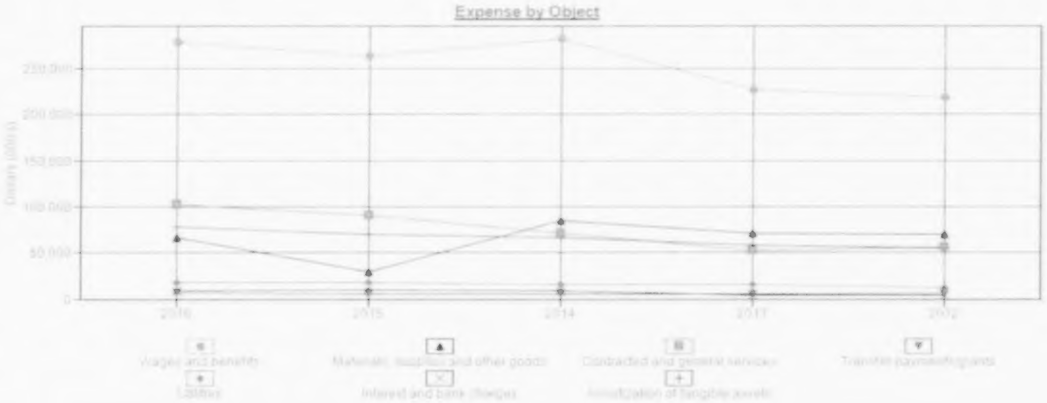
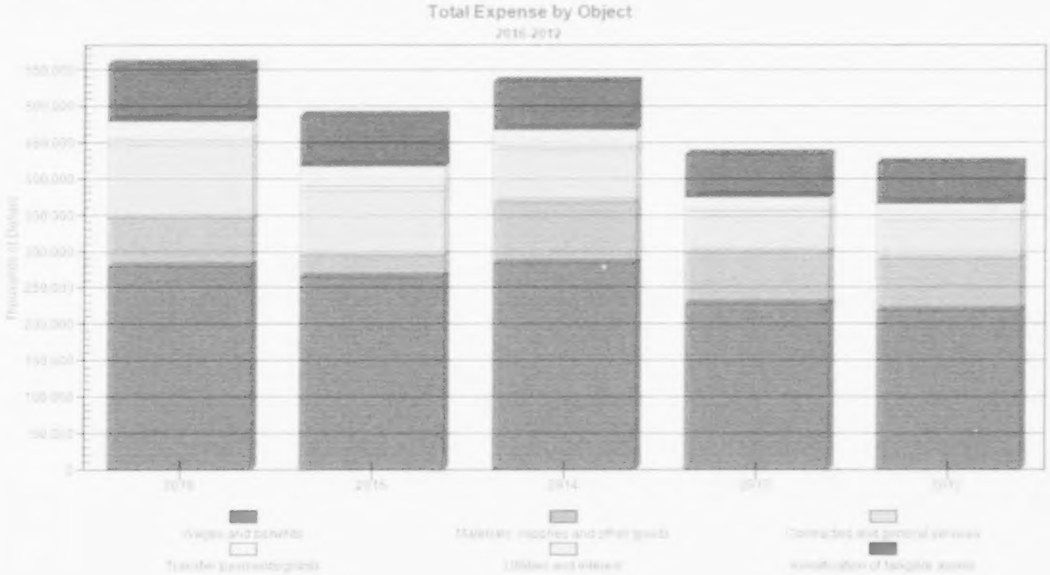


Table 20: Total Expense by Object



Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

Table 21: General Capital Fund

	Budget 2016	Actual 2016	Actual 2015	Actual 2014	Actual 2013	Actual 2012
Revenue						
Government transfers						
Federal	25,000	30,053	2,974	9,090	11,864	15,906
Provincial	15,049	22,950	26,820	29,626	7,051	282
Servicing agreement fees	2,178	(4,919)	13,798	1,697	11,126	1,343
Other capital contributions	25,000	49,565	-	-	-	-
Other revenues	-	37,369	16,252	1,513	850	590
	67,227	135,018	59,844	41,926	30,891	18,121
Expenses	107,700	107,701	87,578	64,939	63,258	53,239
Surplus (Deficit)	40,473	27,317	(27,734)	(23,013)	(32,367)	(35,118)

Annually, City Council approves a Capital Plan to support the Strategic Plan and to respond to the service demands of the city, which requires investment in tangible capital assets. The budget details each capital project based on the maximum forecast expenditure for the year to accommodate the planning and scheduling requirements associated with the projects. There is a higher degree of variability between actual and budget for capital projects as there is typically a portion of the budget carried forward to future years for projects not completed within the fiscal year. At the end of 2016, the carry forward amount available in the General Capital and Utility Capital funds was $144.7 million (2015 - $125.6 million).

OTHER SIGNIFICANT TRENDS

Other significant trends for the City of Regina can be determined by analyzing the Statement of Financial Position for the past five years.

Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

Table 22: Statement of Financial Position

	2016	2015	2014	2013	2012
Financial assets					
Cash	30,678	28,124	28,239	30,455	30,234
Short-term investments	472	271	269	374	670
Accounts receivable	91,854	42,877	42,940	62,377	61,278
Taxes receivable	5,668	4,884	4,406	4,527	2,854
Long-term investments	339,843	432,679	522,690	274,238	249,288
Land inventory	8,899	329	329	349	42
	477,414	509,164	598,873	372,320	344,366
Financial liabilities					
Accounts payable and accrued liabilities	69,223	147,331	127,406	45,004	50,030
Taxes payable to school boards	6,998	5,990	6,010	5,442	5,919
Deferred revenue	77,173	44,702	44,234	35,452	28,928
Capital lease obligations	1,108	1,105	1,280	1,241	1,323
Long-term debt	293,512	271,651	228,087	77,200	81,550
Employee benefit obligations	75,672	78,948	82,221	52,743	52,009
Landfill closure and post-closure	24,650	29,124	57,630	47,337	44,160
	548,336	578,851	546,868	264,419	263,919
Net financial (debt) assets	(70,922)	(69,687)	52,005	107,901	80,447
Non-financial assets					
Tangible capital assets	2,025,785	1,835,703	1,549,388	1,324,081	1,207,572
Materials and supplies	7,971	7,802	7,516	6,754	5,807
Prepaid expense	5,978	6,625	2,077	8,241	-
ACCUMULATED SURPLUS	1,968,812	1,780,443	1,610,986	1,446,977	1,293,826
ANNUAL SURPLUS	188,369	169,457	146,676	153,151	108,777

Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

Investments

Fluctuations in long-term investments reflect the encashment of investments to settle milestone payments relating to major projects, the timing of expenditures of the funding allocated to various capital projects and management of investments to maximize interest revenue.

Accounts Receivable

Increase in accounts receivable due to servicing agreement fees receivable, rates increased in 2016 as well as more servicing agreements signed.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities decreased by $78.1 million in 2016 due to major projects being substantially complete and therefore not included in payables at the end of the year.

Deferred Revenue

Deferred revenues balance increased by $32.4 million due to increase in servicing agreement fees and more servicing agreements signed in 2016.

Table 23: ***City of Regina Long-Term Debt***

	2016	2015	2014	2013	2012
Total debt outstanding, beginning of year	271,651	228,087	77,200	81,550	89,900
Debt issued during year	28,015	49,603	200,400	-	-
Debt repayments during year	(6,154)	(6,039)	(49,513)	(4,350)	(8,350)
Total debt outstanding, December 31	293,512	271,651	228,087	77,200	81,550
General municipal debt outstanding, end of year	206,236	211,484	216,617	21,124	23,968
Water & Sewer Utility debt outstanding, end of year	9,658	10,564	11,470	56,076	57,582
WWTP debt outstanding, end of year	77,618	49,603	-	-	-
Total debt outstanding	293,512	271,651	228,087	77,200	81,550
Authorized debt limit, December 31	450,000	450,000	450,000	450,000	350,000
Debt per capita ($)*	1,364	1,218	1,049	333	361
Debt per household ($)**	3,149	2,975	2,546	883	958
Debt per community assessed value	1.42%	1.38%	1.19%	0.41%	0.85%
Debt as a multiple of revenue	39.4%	41.3%	33.5%	13.2%	15.4%

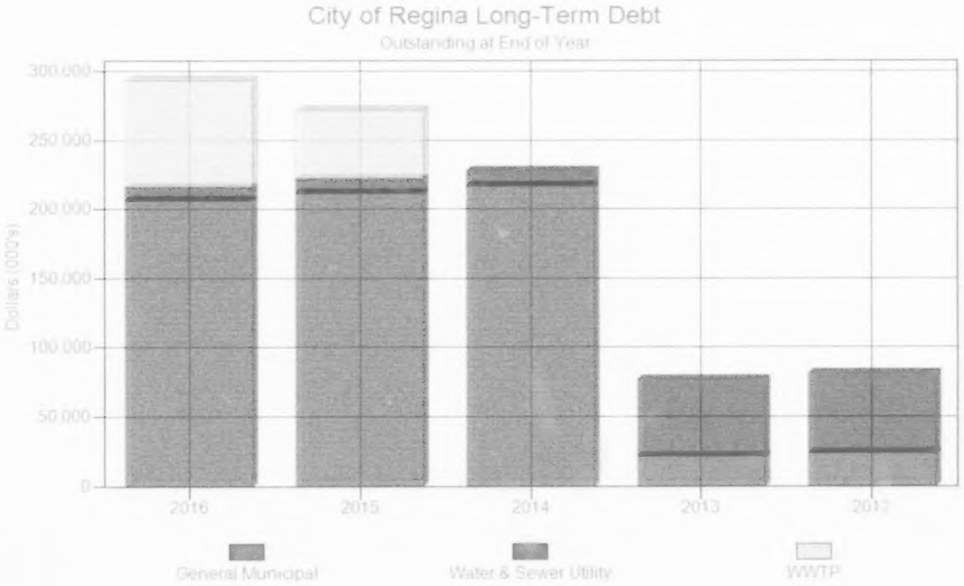
*2016 population figure figured was obtained from the 2016 census. 2012-2015 population figures were based off the 2011 census.

** Household figure as obtained from Stats Canada 2016 census. 2012-2015 population figures were based off the 2011 census.

Long-Term Debt

The City of Regina has an authorized debt limit of $450.0 million. This amount remains unchanged from 2015. The debt limit is approved by the Saskatchewan Municipal Board pursuant to the provisions of *The Cities Act*. The City is $156.5 million below its current debt limit.

Table 24: City of Regina Long-Term Debt



The City's tax-supported debt was $206.2 million at the end of 2016, while debt incurred to fund the Water and Sewer Utility was $28.0 million.

Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

The cost of servicing the debt over the past five years is presented in the Table 25.

Table 25: City of Regina Debt Service Cost

City of Regina Debt Service Costs

	2016	2015	2014	2013	2012
General municipal debt					
Principal	5,066	4,924	3,652	2,844	2,844
Interest	8,622	8,811	7,392	1,127	1,164
	13,688	13,735	11,044	3,971	4,008
Water and Sewer Utility					
Principal	906	906	44,606	1,506	5,506
Interest	496	531	1,684	2,256	2,383
	1,402	1,437	46,290	3,762	7,889
Total	15,090	15,172	57,334	7,733	11,897
Debt service costs as a % of total expenses	2.7%	3.1%	10.7%	1.8%	2.8%

Employee Benefit Obligations

Employee benefit obligations include liabilities for pensions, sick and severance, vacation and overtime. The increase in employee benefit obligations from 2012 to 2016 primarily reflects the impact of general wage increases and employees reaching the age of retirement. As a larger proportion of the City's work force reaches retirement age over the next five to 10 years, the cash outlays relating to this obligation will continue to grow.

Employee benefit obligations also include the liability for the Regina Police Pension. The Regina Civic Superannuation and Benefits Plan includes a larger group of employees, but since it is a multi-employer plan, it is not possible to determine the City's portion of the deficit and thus no amount is included in the Consolidated Statement of Financial Position for this Plan. As disclosed in note 8 d) of the Consolidated Financial Statements, an actuarial extrapolation completed of the plan for accounting purposes indicates a deficit of plan assets over the benefit obligation of $47.4 million at December 31, 2016 (2015 - $25.7 million deficit). The City and other employer parties in the Plan have reached an agreement with Plan members and the pension regulator to reduce the Plan deficit over the next 20 years.

	2016	2015	2014	2013	2012
City of Regina employer contributions	14,671	14,548	13,907	13,285	13,279

Tangible Capital Assets

Tangible capital assets are capitalized on the Statement of Financial Position at cost and amortized over their estimated useful lives on the Statement of Operations. The City's tangible capital assets include land, buildings, vehicles and equipment, roads and bridges, and underground and other networks.

	2016	2015	2014	2013	2012
Tangible Capital Assets - Net Book Value	2,025,785	1,835,703	1,549,388	1,324,081	1,207,572

Financial Statement Discussion and Analysis (December 31, 2016)

(in thousands of dollars)

Reserves and Accumulated Surplus

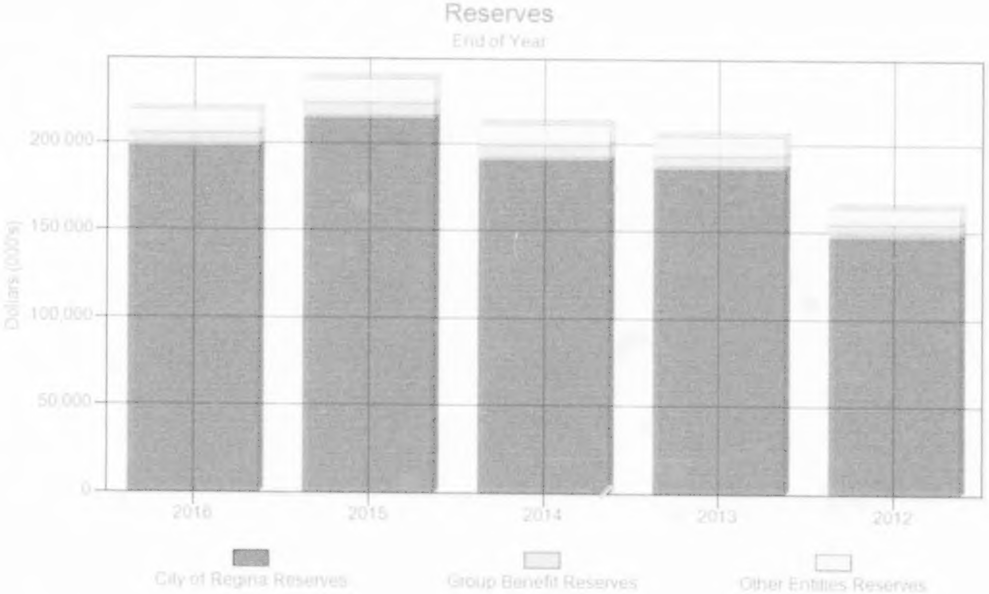
The City allocates funds to reserves to meet specific future operating and capital requirements. The largest reserves are the General Utility Reserve and General Fund Reserve, which are intended to provide funding in the event of an operating deficit, as well as for one time initiatives.

Reserves increased by $55.5 million from 2012 to 2016 due to the approved transfers to fund the eligible capital projects and other expenses.

Reserve balances totaled $218.8 million at the end of 2016 (2015 - $236.7 million).

Table 26: Reserves

	2016	2015	2014	2013	2012
Reserves					
City of Regina Reserves	197,616	213,733	190,131	185,150	146,321
Group Benefits Reserves	7,732	9,010	8,827	8,041	7,801
Other Entities Reserves	13,416	13,977	11,714	10,617	9,127
	218,764	236,720	210,672	203,808	163,249



MEASURING FINANCIAL VIABILITY

The first performance measures that are reported are those measures which the City has been tracking and reporting previously, Financial Condition Indicators.

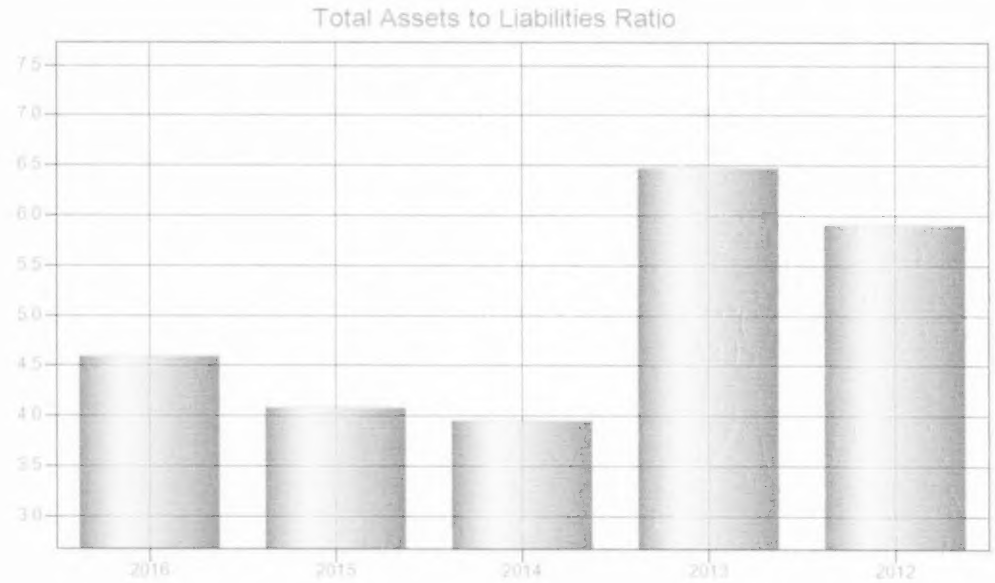
The Public Sector Accounting Standards (PSAS) issued a Statement of Recommended Practice for governments that supports discussions about a government's financial condition. This financial condition is reflected in the overall economic and financial environment, the City's ability to meet service commitments to the public, as well as financial obligations to creditors, employees and others. It takes into acccunt sustainability, flexibility and vulnerability.

Sustainability

Sustainability is the degree to which a government can maintain its existing programs and meet existing creditor requirements without increasing the relative debt or tax burden on the economy.

The total assets to liabilities ratio has decreased from 5.90 to 4.59 from 2012 to 2016 (Table 27). The City's financial assets to liabilities ratio has decreased from 1.30 to 0.87 from 2012 to 2016 (Table 28). A number of large infrastructure renewal projects currently underway have resulted in an increase in overall debt levels but this is consistent with the approved plan.

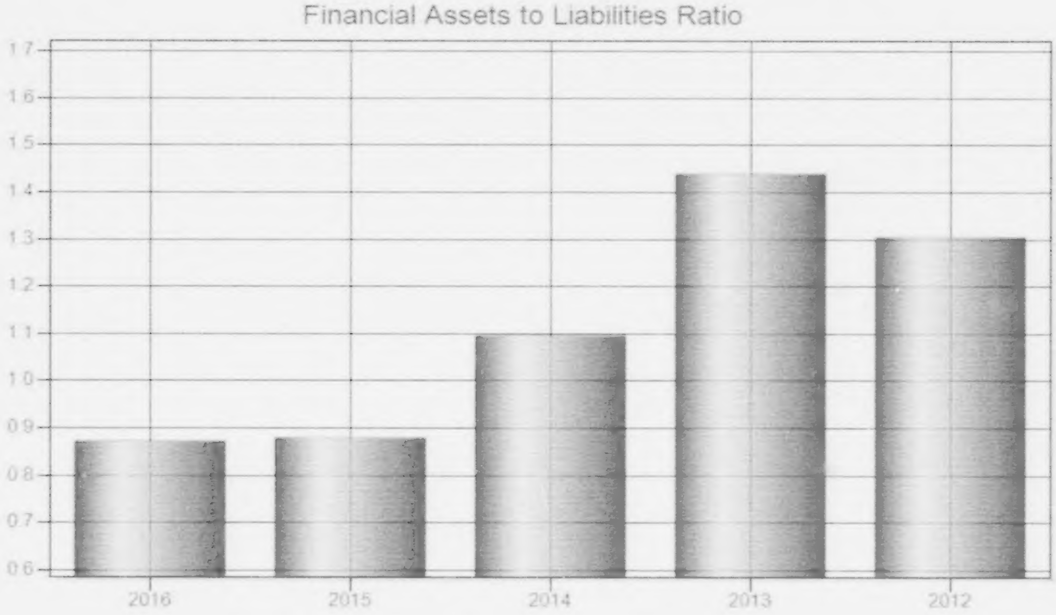
Table 27: Total Assets to Liabilities Ratio



Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

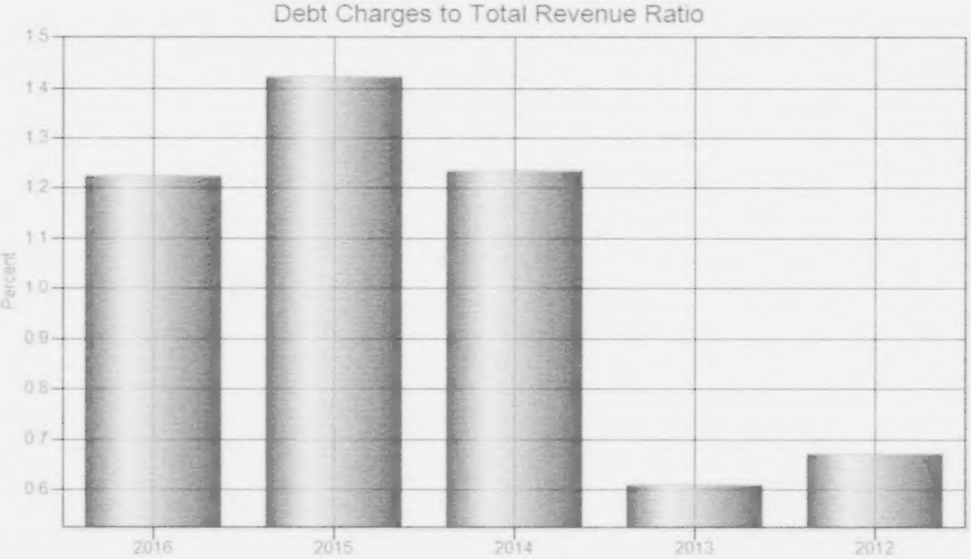
Table 28: Financial Assets to Liabilities Ratio



Flexibility

One measure of flexibility is debt charges to total revenue. This ratio, often referred to as the interest bite, indicates the proportion of total revenue that is required to pay interest charges on debt and therefore, is not available to pay for program costs. It illustrates the extent to which past borrowing decisions present a constraint on a government's ability to meet its financial and service commitments in the current period. Specifically, the more government uses revenues to meet the interest costs on past borrowing, the less will be available for program spending. This indicator is important because, when this indicator increases for an extended period of time and assuming relatively stable interest rates, it means that the government has consistently chosen borrowing over increases in taxation or user fees to meet its financial and service commitments. This will eventually have an effect on its flexibility because once a government borrows, its first commitment must be to service its debt. Failing to do so would impair its future ability to borrow or to roll over its existing debt.

Table 29: Debt Charges to Total Revenue Ratio



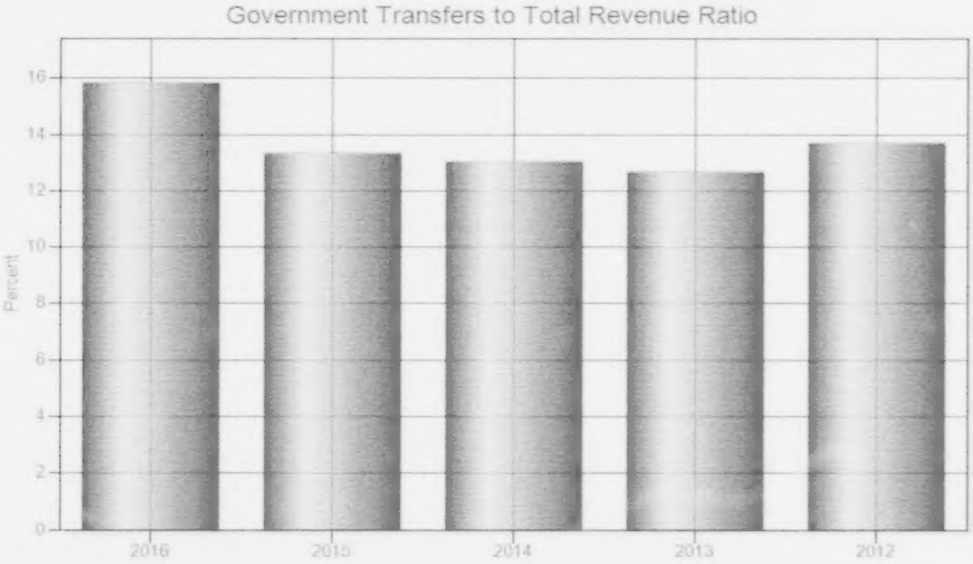
Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

Vulnerability

This is the degree to which a government is dependent and therefore vulnerable to, sources of funding outside of its control. The risk of relying on external funding sources is that the City does not directly control or influence either the amount or timing of such revenues. Vulnerability is measured by calculating the ratio of revenues from senior governments to the City's own-source revenues. Government transfers to total revenue was higher in 2016 due to increased gas tax revenues as indicated previously.

Table 30: Government Transfers to Total Revenue Ratio



CREDIT RATING

A credit rating is a forward-looking opinion provided by an arm's-length organization, such as Standard & Poor's Rating Services, about a borrower's overall creditworthiness. It focuses on the borrower's capacity and willingness to meet its financial commitments as they come due. The credit rating also influences the interest rate to be paid when borrowing.

Standard and Poor's undertakes a detailed analysis of the borrower's financial condition, using a robust set of criteria, and updates it annually. The City of Regina's credit rating by Standard & Poor's for 2015 was AA+ (Stable). Regina has received this rating since its first one was issued in 1989. According to Standard & Poor's, this consistently strong performance reflects the City's ongoing commitment to sound fiscal management.

REGINA REVITALIZATION INITIATIVE

The Regina Revitalization Initiative (RRI) is a large scale redevelopment project which was launched by the City of Regina in May 2011 as a vision to develop a new stadium and redevelop two large areas of land in Regina's inner-city. Ultimately, the project will contribute to increase the density of Regina's population by providing new sites within the City where residential development can occur, hence reducing the need for Greenfield development. The primary activity of the RRI in 2016 was the construction of the new stadium, which was substantially complete in 2016, ready for occupancy in 2017.

The following is a Statement of Financial Position and a Statement of Operations relating to the RRI-stadium project:

Statement of Financial Position

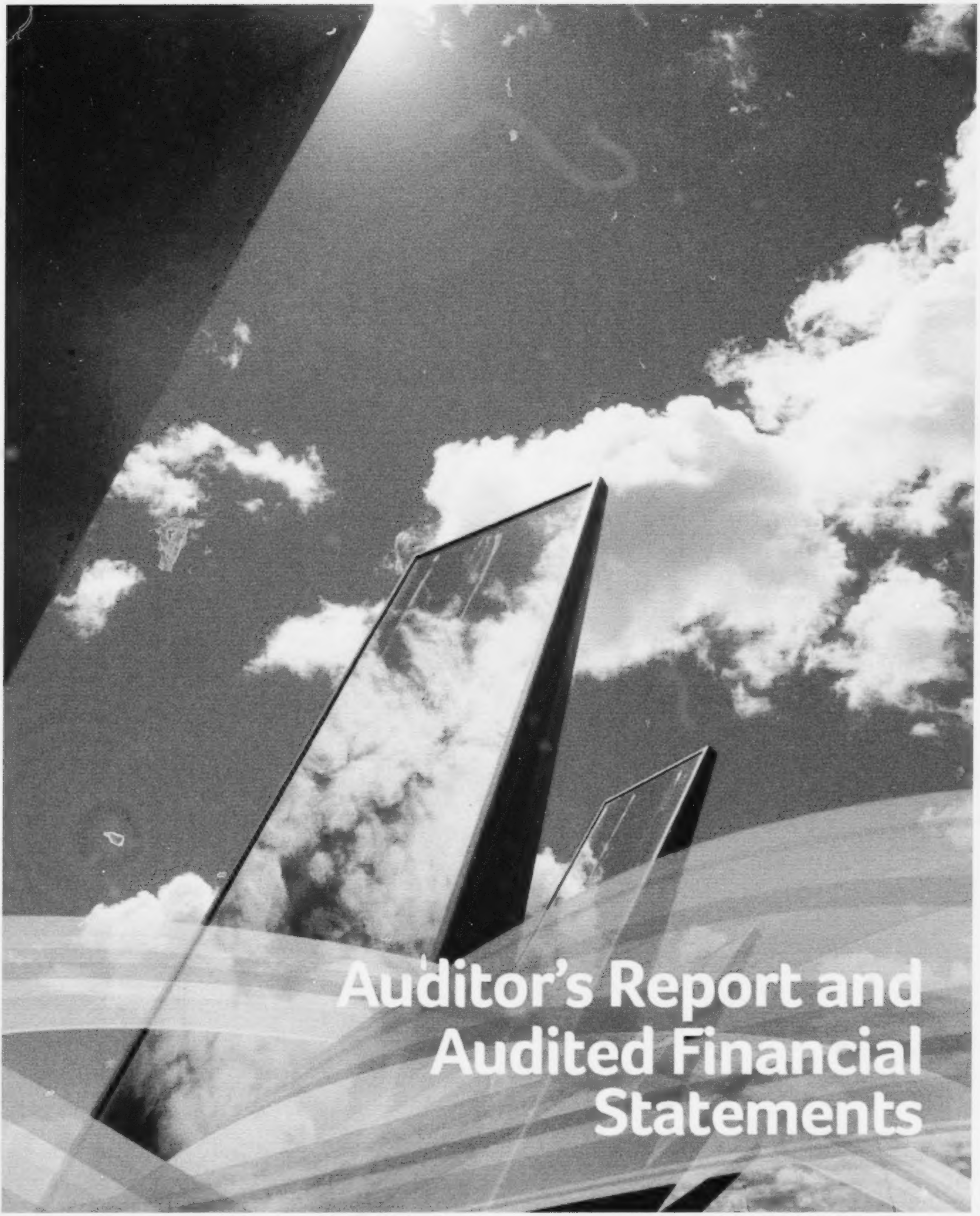
	2016	2015
Financial assets		
Accounts receivable	5,955	-
Long-term investments	33,660	114,685
	39,615	114,685
Financial liabilities		
Accounts payable and accrued liabilities	4,816	56,177
Long-term debt	190,802	194,425
	195,618	250,602
Net financial liabilities	(156,003)	(135,917)
Non-financial assets		
Tangible capital assets	275,744	199,993
ACCUMULATED SURPLUS	119,741	64,076

Financial Statement Discussion and Analysis *(December 31, 2016)*

(in thousands of dollars)

Statement of Operations

	2016	2015
Revenues		
Taxation	3,148	2,292
Government transfers	25,000	25,000
Rider club contribution	25,000	-
Third party revenue	(90)	-
Interest on portfolio investments	2,546	6,057
Realized gains on portfolio investments	850	3,000
Dedicated land charge	505	-
Other contributions	24,572	-
	81,531	36,349
Expenses		
Interest expense	7,469	7,967
Contracted services	15,120	-
Amortization	3,277	-
	25,866	7,967
Annual Surplus	55,665	28,382
ACCUMULATED SURPLUS, BEGINNING OF YEAR	64,076	35,694
ACCUMULATED SURPLUS, END OF YEAR	119,741	64,076



Auditor's Report and Audited Financial Statements

AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS

Management's Report

RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements and all other information contained in this report are the responsibility of management. The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes some amounts, which are based on the best estimates and judgments of management. Financial data elsewhere in this report is consistent with that of the financial statements.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded and that the financial records are reliable for the preparation of financial statements.

The Finance and Administration Committee, established by City Council, comprises five elected officials, along with the Mayor as an ex-officio member. The Committee, in addition to considering a variety of financial and administrative issues, reviews the content of the annual financial report for presentation to City Council, and reviews external audit reports.

Deloitte LLP Chartered Professional Accountants, the City's appointed external auditors, have audited the consolidated financial statements. Their report to the Mayor and City Council, stating the scope of their examination and opinion on the consolidated financial statements, follows.

Ian Rea, Chief Financial Officer
Corporate Services
May 29, 2017

C. Holden

Chris Holden,
City Manager

Auditor's Report

Deloitte.

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Independent Auditor's Report

To His Worship the Mayor and Members of City Council

We have audited the accompanying consolidated financial statements of the City of Regina and its subsidiaries, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statements of operations and accumulated surplus, change in net financial debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Regina and its subsidiaries as at December 31, 2016, and the results of its operations, change in its net financial debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Deloitte LLP

Chartered Professional Accountants
Licensed Professional Accountants

May 29, 2017
Regina, Saskatchewan

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2016	2015
FINANCIAL ASSETS		
Cash	**$ 30,678**	$ 28,124
Short-term investments (Note 4)	**472**	271
Accounts receivable (Note 3)	**91,854**	42,877
Taxes receivable	**5,668**	4,884
Long-term investments (Note 5)	**339,843**	432,679
Land inventory (Note 12)	**8,899**	329
	477,414	509,164
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	**69,223**	147,331
Taxes payable to school boards	**6,998**	5,990
Deferred revenue (Note 18)	**77,173**	44,702
Capital lease obligations (Note 6)	**1,108**	1,105
Long-term debt (Note 7)	**293,512**	271,651
Employee benefit obligations (Note 8)	**75,672**	78,948
Landfill closure and post-closure (Note 10)	**24,650**	29,124
	548,336	578,851
NET FINANCIAL DEBT	**(70,922)**	(69,687)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	**2,025,785**	1,835,703
Materials and supplies	**7,971**	7,802
Prepaid	**5,978**	6,625
ACCUMULATED SURPLUS (Note 13)	**$ 1,968,812**	$ 1,780,443

Commitments and contingent liabilities (Note 11)

See accompanying notes to consolidated financial statements.

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

	Budget (Note 1j)	**Actual**	Actual
	2016	**2016**	2015
REVENUE			
Taxation (Note 15)	$ 237,488	**$ 240,148**	$ 227,973
Fees and charges	215,975	**217,716**	217,052
Government transfers (Note 16)	118,660	**118,219**	87,661
Electrical distribution	24,700	**25,267**	24,417
Licenses, fines and levies	14,282	**13,846**	14,211
Gas distribution	7,110	**6,138**	7,076
Interest and penalties	1,290	**2,103**	1,833
Interest on portfolio investments	15,796	**12,913**	18,940
Realized gains on portfolio investments	-	**4,326**	8,311
Servicing agreement fees	14,466	**17,483**	20,339
Land sales	3,503	**533**	3,877
Other	6,239	**6,884**	11,174
Contribution of tangible capital assets	-	**30,638**	14,114
Other capital contributions	25,000	**49,565**	-
	684,508	**745,779**	656,978
EXPENSES			
Parks, recreation and community services	120,491	**121,148**	98,529
Police	84,559	**80,095**	76,480
Legislative and administrative services	73,345	**86,738**	73,296
Water, wastewater and drainage	93,844	**87,518**	70,690
Roads and traffic	57,229	**53,095**	68,030
Fire	45,393	**46,319**	46,041
Transit	40,791	**42,032**	39,285
Waste collection and disposal	23,583	**17,648**	(8,128)
Grants	10,882	**4,051**	3,559
Planning and development	21,094	**18,766**	19,739
	571,211	**557,410**	487,521
ANNUAL SURPLUS	113,297	**188,369**	169,457
ACCUMULATED SURPLUS, BEGINNING OF YEAR	1,780,443	**1,780,443**	1,610,986
ACCUMULATED SURPLUS, END OF YEAR	$ 1,893,740	**$ 1,968,812**	$ 1,780,443

See accompanying notes to consolidated financial statements

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL DEBT

	Budget (Note 1))	**Actual**	Actual
	2016	**2016**	2015
Annual surplus	$ 113,297	**$ 188,369**	$ 169,457
Acquisition of tangible capital assets	-	**(289,600)**	(362,829)
Amortization of tangible capital assets	-	**77,775**	70,344
Proceeds on disposal of tangible capital assets	-	**686**	4,445
Loss on disposal of tangible capital assets	-	**21,057**	1,725
	-	**(190,082)**	(286,315)
Net change in materials and supplies	-	**(169)**	(286)
Net change in prepaid	-	**647**	(4,548)
	-	**478**	(4,834)
Decrease (increase) in net financial debt	113,297	**(1,235)**	(121,692)
NET FINANCIAL (DEBT) ASSETS, BEGINNING OF YEAR	(69,687)	**(69,687)**	52,005
NET FINANCIAL DEBT, END OF YEAR	$ 43,610	**$ (70,922)**	$ (69,687)

See accompanying notes to consolidated financial statements

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

CONSOLIDATED STATEMENT OF CASH FLOWS

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Annual surplus	$ **188,369**	$ 169,457
Non-cash items		
Amortization of tangible capital assets	**77,775**	70,344
Loss on disposal of tangible capital assets	**21,057**	1,725
Contribution of tangible capital assets	**(30,638)**	(14,114)
Realized gains on portfolio investments	**(4,326)**	(8,311)
Net change in non-cash working capital balances		
(Increase) decrease in accounts receivable	**(48,977)**	64
Increase in taxes receivable	**(784)**	(478)
Decrease in accounts payable and accrued liabilities	**(78,108)**	(85,991)
Increase (decrease) in taxes payable to school boards	**1,008**	(20)
Increase in deferred revenue	**32,471**	468
Decrease in employee benefit obligations	**(3,278)**	(3,273)
Decrease in landfill closure and post-closure liabilty	**(4,474)**	(28,506)
Increase in land inventory	**(8,570)**	-
Increase in materials and supplies	**(169)**	(286)
Decrease (increase) in prepaid	**647**	(4,548)
	142,005	96,531
CASH FLOWS USED IN CAPITAL ACTIVITIES:		
Acquisition of tangible capital assets	**(181,341)**	(193,371)
Proceeds on disposal of tangible capital assets	**686**	4,445
	(180,655)	(188,926)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of short-term investments	**(201)**	(2)
Sale of long-term investments	**97,162**	98,322
	96,961	98,320
CASH FLOWS USED IN FINANCING ACTIVITIES:		
Repayment of long-term debt	**(55,757)**	(6,039)
	(55,757)	(6,039)
INCREASE (DECREASE) IN CASH	**2,554**	(114)
CASH, BEGINNING OF YEAR	**28,124**	28,238
CASH, END OF YEAR	$ **30,678**	$ 28,124

See accompanying notes to consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the City of Regina (City) are prepared by management in accordance with Canadian Public Sector Accounting Standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the City are as follows:

a. Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, changes in accumulated surplus, changes in net financial (debt) assets and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises which are controlled by the City, namely:

- General operating and capital funds
- Water and sewer utility operating and capital funds
- Regina Public Library Board (RPL)
- Economic Development Regina Inc. (EDR)
- Regina Downtown Business Improvement District (RDBID)
- Regina's Warehouse Business Improvement District (RWBID)
- The Regina Exhibition Association Limited (REAL)
- Buffalo Pound Water Treatment Corporation (BPWTC)

Inter departmental and inter organizational transactions and balances have been eliminated.

On January 1, 2016 the City of Regina and the City of Moose Jaw incorporated a non-profit corporation under the Non-Profit Corporations Act, 1995 (Saskatchewan). The City has a 74.00% interest in the Buffalo Pound Water Treatment Corporation (BPWTC) which has been proportionately consolidated.

The Regina Public Library has a 21.75% (2015 - 21.78%) interest in the Saskatchewan Information and Library Services Consortium Inc. (SILS), which has been proportionately consolidated.

On January 1, 2016, Economic Development Regina Inc. (EDR) incorporated under *The Non-Profit Corporations Act, 1995*, with the City of Regina as its sole voting member. Prior to its incorporation EDR operated as the Regina Regional Opportunities Commission, which was created on April 27, 2009 by Bylaw 2009-20.

The Regina Exhibition Association Limited (REAL) was incorporated in 1907 pursuant to an act of the Legislature of the Province of Saskatchewan, being C. 41, Statutes of Saskatchewan.

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b. Revenue recognition

Revenues are recorded using the accrual basis of accounting whereby revenues are recognized as they are earned and measurable. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Property tax revenue is based on assessments determined in accordance with provincial legislation and the formulas, principles and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually. Taxation revenues are recorded net of a provision for potential losses on outstanding assessment appeals and uncollected taxes. By their nature, these provisions are subject to measurement uncertainty and the impact on the financial statements of future periods could be material (Note 15). Penalties on overdue taxes are recorded in the period levied.

Electrical distribution revenues consist of the municipal surcharge and payments in lieu of taxes received from SaskPower. The municipal surcharge revenue and payments in lieu of taxes are equal to 10% and 5%, respectively of the value of the supply of electrical energy provided by SaskPower to customers within the City limits.

Gas distribution revenues mainly consist of the payments in lieu of taxes received from SaskEnergy and TransGas. The payment in lieu of taxes received from SaskEnergy is equal to 5% of the fees levied by SaskEnergy to customers within the City limits. The payment in lieu of taxes received from TransGas is equal to 5% of the transportation fees and the deemed value of the gas transmitted by TransGas to consumers within the City limits. Pursuant to an agreement with the City for two major consumers who are served by TransGas, the 5% payments to the City in lieu of taxes are based on the transportation costs and the deemed value of the fuel stock consumed.

Government transfers are recognized in the consolidated financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met, and reasonable estimates of the amounts can be made.

c. Expense recognition

Expenses are recorded using the accrual basis of accounting whereby expenses are recognized as they are incurred and measurable based upon receipt of goods and services and/or the legal obligation to pay.

d. Use of estimates

The preparation of consolidated financial statements in conformity with PSAS requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Significant estimates include accrued liabilities, employee benefit obligations, landfill liability, contribution of tangible capital assets, provision on tax appeals, and the amortization of tangible capital assets.

e. Materials and supplies

Inventories of materials and supplies are valued at the lower of net realizable value and average cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f. Taxes collected for others

The City collects taxes for the Regina Separate School Board, the Regina Public School Board and the Global Transportation Hub Authority. These taxes, which are not included in the City's financial results, are remitted to the respective entities less an amount to offset cancellations relating to school taxes and the City's cost in carrying the receivables.

g. Deferred revenue

The City receives servicing agreement fees, payments in lieu of parking and payments in lieu of dedication of land for public reserve under the authority of provincial legislation and City bylaws. The City also receives special taxes levied pursuant to Section 275 of *The Cities Act*, which are to be expended on alley maintenance. As well, the City receives various government grants for special programs offered by either the Provincial or Federal governments. These funds are restricted as to their use and are not recognized as revenue until the fiscal period in which they are used to make qualifying expenses.

Deferred revenue also includes monies received in advance for taxes, transit passes, servicing and sub-division revenue, prepaid cemetery revenue and pre-season sales from the various recreational facilities.

h. Employee benefit plans

The City participates in contributory defined benefit or defined contribution pension plans for virtually all of its employees. Under the defined contribution plan, the City's obligations are limited to its contributions. These contributions are expensed in the period in which they are due and payable.

Costs related to defined benefit pension plans considered to be single-employer plans, the costs are recognized when earned by Plan members. Pension benefits obligations are actuarially determined using the projected benefit method prorated on service and the pension plan administrator's best estimate of expected salary and benefit escalation and retirement ages of employees. Market rates are used to measure the accrued benefit obligation, as well as the assets of the pension plans. Actuarial gains and losses on pension obligations and/or pension fund assets are amortized over the average remaining service life of the related employee groups.

For defined benefit plans considered to be multiemployer plans, contributions are expensed when they are due and payable.

The City has various post-employment benefits and termination benefit obligations earned by employees and expected to be provided to them when they are no longer providing active service.

The obligations for vested sick leave, service or retirement allowances and other post employment benefits have been determined on an actuarial basis. The obligations for vacation pay and banked time in lieu of overtime have been accounted for at an undiscounted value at the current rate of pay.

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

i. Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

General	
Land improvements	10 to 100 years
Buildings and building improvements	15 to 75 years
Vehicles and equipment	
Fire trucks and buses	15 to 30 years
Police vehicles	4 to 10 years
Other vehicles	2 to 25 years
Equipment	4 to 50 years
Office and information technology	
Hardware	2 to 15 years
Software	2 to 10 years
Other	10 years
Infrastructure	
Plants and facilities	5 to 100 years
Roads	1 to 40 years
Underground networks	5 to 100 years
Bridges and other structures	15 to 70 years

Assets under construction are not amortized until the asset is available for productive use. Interest on debt used to purchase tangible capital assets is not capitalized.

Tangible capital assets received as contributions, which are primarily roads and underground networks, are recorded at their fair value at the date of receipt and also are recorded as revenue. Fair value is determined based on an estimate of the cost to construct the contributed asset.

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases and recorded as tangible capital assets. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

Land under roads that is acquired other than by a purchase agreement is valued at a nominal cost. Works of art and historical treasures are not recognized in these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

j. Budget information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on December 7, 2015.

k. Investments

All investments are recorded at cost less write downs to reflect other than temporary declines in value. Investment transactions are accounted for at the trade date. Interest income is recorded on the accrual basis.

l. Foreign currency

Monetary items denominated in foreign currency are translated to Canadian dollars at exchange rates in effect as at December 31, and non-monetary items are translated at rate of exchange in effect when the assets were acquired or obligations incurred. Revenues and expenses are translated at rates in effect at the time of the transactions or at rates of exchange established by the terms of the forward foreign exchange contract. Gains (losses) on foreign currency translation are included as revenues (expenses).

2. NEW STANDARDS AND AMENDMENTS TO STANDARDS

The following new standard and amendment to standards are effective for fiscal years beginning on or after January 1, 2017:

Introduction to Public Sector Accounting Standards

Standards and amendments effective for financial statements on or after April 1, 2017:

PS 2200, Related Party Disclosures

PS 3210, Assets

PS 3320, Contingent Assets

PS 3380, Contractual Rights

PS 3420, Inter-entity Transactions

Standards and amendments effective for financial statements on or after April 1, 2018:

PS 3430, Restructuring Transactions

Standards and amendments effective for financial statements on or after April 1, 2019:

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. NEW STANDARDS AND AMENDMENTS TO STANDARDS (CONTINUED)

PS 1201, Financial Statement Presentation

PS 2601, Financial Currency Translation

PS 3041, Portfolio Investments

PS 3450, Financial Instruments

The extent of the impact on adoption of these standards is not known at this time.

3. ACCOUNTS RECEIVABLE

	2016	2015
Trade and other receivable	**70,417**	28,192
Water and sewer receivable	**15,683**	14,685
Government transfers receivable	**5,754**	-
	91,854	42,877

4. SHORT-TERM INVESTMENTS

Short-term investments are recorded at cost and have a fair value approximating cost. The investments are in a money market fund, holdings of which may include a combination of treasury bills, commercial paper, bankers' acceptances or promissory notes. The average yield earned from investments was 0.75% (2015 - 0.80%).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. LONG-TERM INVESTMENTS

Long-term investments include investments in a pooled bond fund.

	Carrying Value		Fair Value	
	2016	2015	**2016**	2015
Pooled bond fund	**339,843**	432,679	**329,430**	433,275

A pooled bond fund is a group of individual bonds managed by an investment manager. The fair value of the pooled bond fund units is based on the market price per unit, which is determined by the overall market values of each of the bonds in the fund. The average yield earned from investments was 3.08% (2015 - 3.25%).

6. CAPITAL LEASE OBLIGATIONS

The following is a schedule of future minimum lease payments under capital leases for computer equipment, software and building contracts along with the balance of the capital lease obligation:

2017	**516**
2018	**347**
2019	**192**
2020	**53**
	1,108

7. LONG-TERM DEBT

Debenture debt

The City's long-term debt consists of $215,853 (2015 - $221,826) of unsecured debentures issued in the form of fully registered certificates held by The Canadian Depository for Securities Ltd. (CDS), on behalf of beneficial owners as direct and indirect participants of CDS. The debentures are issued for 10 or 30-year terms with principal payable either annually or semi-annually and interest payable semi-annually.

Obligation under long-term financing agreement – Public Private Partnership (P3)

During construction of the Wastewater Treatment Plant (WWTP), the City records a portion of the project cost as construction in progress, using the construction cost to date and an equivalent liability to the EPCOR Water Prairies Inc. The long-term debt represents the deferred capital payments portions of the project cost based on the terms of the agreement. Upon completion, the City amortizes the accumulated cost of the completed project over its useful life, expenses the annual interest cost and settled the long-term liability over the term of the project agreement. The City has $77,618 (2015 - $49,603) of long-term debt. Debt is under a 27-year term with principal and interest payable monthly. The entire principal is due 2044.

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. LONG-TERM DEBT (CONTINUED)

	2016	2015
City of Regina unsecured debentures and loan		
Operating fund	**206,195**	211,262
Utility fund	**9,658**	10,564
WWTP debt - long-term	**77,618**	49,603
Loans payable	**41**	223
Total debt	**293,512**	271,652
Authorized debt limit	**450,000**	450,000
Interest rates	**3.40-6.462%**	3.40-6.462%
Interest costs for year	**9,118**	9,342

Bank indebtedness

Pursuant to *The Regina Administration Bylaw No. 2003-69*, the City can incur bank indebtedness. Interest on this indebtedness is calculated at the prime rate of interest less 0.5%, payable monthly and the City has pledged certain revenues as security for the debt obligation. At December 31, 2016, the City had no bank indebtedness.

The long-term debt is repayable as follows:

2017	**7,252**
2018	**7,469**
2019	**25,689**
2020	**5,587**
2021-2044	**247,515**
	293,512

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. EMPLOYEE BENEFIT OBLIGATIONS

The City's employee benefit obligations to be funded in the future are as follows.

	Total 2016	Total 2015
Defined benefit pension plans		
Regina Police Superannuation and Benefits Plan	**23,498**	26,997
RPPP Supplemental Pension Plan	**2,767**	2,745
Target Retirement Income Plan	**(4,534)**	(2,738)
	21,731	27,004
Other benefit plans		
Termination payments	**25,106**	23,438
Continuation of group life, medical and dental benefits	**9,526**	8,599
	34,632	32,037
Other plans and arrangements		
Vacation	**14,575**	16,097
Overtime	**4,322**	3,422
Group life, medical and dental plans	**412**	388
	19,309	19,907
	75,672	78,948

a. Defined benefit pension plans

The Regina Police Superannuation and Benefits Plan is a defined benefit pension plan. As required by provincial legislation, an actuarial funding valuation is completed at least triennially.

By Memorandum of Agreement dated January 21, 2013 the City and the Employees' Pension Committee agreed to freeze the Regina Police Pension Plan (RPPP) as of June 30, 2014, and to establish the Target Retirement Income Plan (TRIP) for the Regina Police Service as of July 1, 2014. All active members in the RPPP moved over to the TRIP for service on or after July 1, 2014. There are no longer any active members accruing service in the RPPP.

Effective July 1, 2014, the Regina Police Superannuation and Benefits Pension Plan was amended per Amendment 2014-1 which served to close the plan to new entrants, freeze pensionable service, cease employee contributions and change the cost sharing arrangement of the Plan, such that the City assumes full responsibility for all past and future unfunded liabilities in the plan. Prior to this amendment, and as shown in the consolidated financial statements for prior years, the City was responsible for reporting approximately 51% of the Plan's accrued benefit liability. As a result of the amendment to the Plan effective July 1, 2014 the City is now responsible for reporting 100% of the Plan's accrued benefit liability and assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

a. Defined benefit pension plans (continued)

The RPPP Supplemental Pension Plan supersedes and replaces The Regina Police Civilian Employees' Early Retirement Benefits Arrangement (CEERBA). The purpose of the Plan is to provide certain early retirement pensions to civilian employees of The Regina Board of Police Commissioners whose early retirement pensions are reduced. These early retirement pensions were previously covered under the CEERBA and now form part of the new plan, however there are also reduced pensions that were not previously covered by CEERBA but now form part of the new plan.

An actuarial valuation of the defined benefit pension plans is performed using the projected benefit method prorated on service to determine the accrued benefit obligation and the expense to be recognized in the consolidated financial statements.

The results of the most recent actuarial valuations and significant assumptions utilized in these valuations are as follows:

	Target Retirement Income Plan	Police Pension Plan	RPPP Supplemental Pension Plan	Total 2016	Total 2015
Fair value of plan assets, beginning of year	13,642	303,729	-	317,371	297,798
Employees' contributions	5,125	-	-	5,125	4,826
Employer contributions	4,889	3,762	-	8,651	8,175
Actual return on plan assets	180	17,548	-	17,728	24,325
Less benefits paid	(164)	(18,130)	-	(18,294)	(17,753)
Fair value of plan assets, end of year	23,672	306,909	-	330,581	317,371
Accrued benefit obligation, beginning of year	12,082	320,892	2,745	335,719	323,995
Current period benefit cost	8,283	-	-	8,283	7,928
Interest on accrued benefit obligation	1,049	21,204	181	22,434	21,671
Less benefits paid	(164)	(18,130)	(159)	(18,453)	(17,875)
Accrued benefit obligation, end of year	21,250	323,966	2,767	347,983	335,719
Funded status, plan surplus (deficit)	2,422	(17,057)	(2,767)	(17,402)	(18,348)
Unamortized net actuarial loss (gain)	2,112	(6,441)	-	(4,329)	(8,656)
Accrued benefit asset (liability)	4,534	(23,498)	(2,767)	(21,731)	(27,004)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

	Target Retirement Income Plan	**Police Pension Plan**	**RPPP Supplemental Pension Plan**	**Total 2016**	Total 2015
Current period benefit cost	**8,283**	**-**	**-**	**8,283**	7,928
Amortization of actuarial (gain) loss	**93**	**(776)**	**-**	**(683)**	(360)
Employee contributions	**(5,125)**	**-**	**-**	**(5,125)**	(4,826)
Interest expense	**1,049**	**21,204**	**181**	**22,434**	21,671
Expected return (deficit) on plan assets	**1,207**	**(20,165)**	**-**	**(18,958)**	(20,061)
Change in valuation allowance	**862**	**-**	**-**	**862**	889
Benefit expense	**6,369**	**263**	**181**	**6,813**	5,241

The actuarial valuations were performed by Aon Consulting Inc

	Target Retirement Income Plan	**Police Pension Plan**	**RPPP Supplemental Pension Plan**
Date of most recent valuation	Jul 1, 2014	Dec 31, 2013	Dec 31, 2013
Discount rate (%)	6.50	6.80	6.80
Inflation rate (%)	2.50	2.50	2.50
Long term return rate on plan assets (%)	6.50	6.80	n/a
Rate of compensation increase (%)	3.00	3.00	3.00
Expected average remaining service years	13.13	13.17	13.17
Contribution rate as a percentage of salary			
Members prior to July 1, 2014	n/a	11.33%-12.83%	0.00%
Members post July 1, 2014	6.80%-10.70%	0.00%	0.00%
City prior to July 1, 2014	n/a	11.83%-13.33%	variable
City post July 1, 2014	8.50%	6.19%	variable

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

b. Other benefit plans

Pursuant to union agreements, eligible employees are entitled to termination payments based upon their unused sick leave or years of service.

Group life, medical and dental benefits represents the obligation for the continuation of group life insurance, dental and medical benefits for employees on long-term disability and the City's share of group life insurance for early retirees.

Retirees may continue group life insurance coverage to age 65 on a 50% cost-shared basis with the City. Employee and employer premiums for continuation of group life insurance for employees on long-term disability are fully funded through contributions maintained in a reserve. Medical and dental coverage for employees on long-term disability is provided on a 50% cost shared basis between the employee and employer.

A group life insurance plan is administered by Saskatchewan Blue Cross on a self-insured basis, with a stop loss provision limiting losses to claims in excess of 150% of premiums for any calendar year. The primary components of the plan are funded equally by employer and employees. Dental and medical plans are also provided for most employees on a cost-shared or employer-funded basis.

For group life insurance, the balance of the employer and employee premiums collected in excess of claims are held in group insurance reserves, which are intended for future benefits and stabilization of premiums. The employer's portion of the obligations under the group insurance plan that will be funded from the reserves is reflected in Other Benefit Plans. Amounts held in the reserves that reflect obligations to be funded from employee contributions have been included in Accounts Payable and Accrued Liabilities. The balance of the group life insurance reserves, after reflecting the liabilities for the employee and employer share of future obligations, is $4,398 (2015 - $5,162). This amount has been included in Group Benefits reserves (Note 14).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

Actuarial valuations are performed to determine the accrued benefit obligation and the expense to be recognized in the consolidated financial statements. The results of and significant assumptions utilized in these valuations are as follows:

	City employees	Library employees	Group life, medical and dental plans	Total 2016	Total 2015
Accrued benefit obligation, beginning of year	**22,342**	**1,096**	**8,599**	**32,037**	31,705
Current period benefit cost	**1,852**	**80**	**1,981**	**3,913**	2,531
Interest on accrued benefit obligation	**477**	**23**	**218**	**718**	811
Actuarial gain	**-**	**(126)**	**(653)**	**(779)**	(914)
Less benefits paid	**(628)**	**(125)**	**(889)**	**(1,642)**	(2,149)
Unamortized net actuarial gain	**-**	**115**	**-**	**115**	53
Accrued benefit liability - unfunded	24,043	1,063	9,256	34,362	32,037
Current period benefit cost	**1,852**	**80**	**-**	**1,932**	1,829
Amortization of actuarial loss (gain)	**384**	**(11)**	**-**	**373**	241
Interest expense	**477**	**23**	**-**	**500**	544
Benefit expense	2,713	92	-	2,805	2,614

	Aon Consulting Inc.		Mercer
Date of most recent valuation	Dec 31, 2014	Dec 31, 2013	Dec 31, 2015
Discount rate (%)	2.0	2.2	2.0-3.0
Rate of compensation increase (%)	4.0-4.9	3.6-5.5	3.6-3.7
Expected average remaining service years	11-15	9	n/a

c. Other plans and arrangements

Employees are entitled to vacation pay and overtime as outlined in administrative policies and/or contractual agreements. The liability for these benefits is determined using current rates of pay and is not discounted.

Out of scope employees are contractually entitled to certain pensions and termination payments. BPWTC employees are entitled to termination payments based upon years of service or unused sick leave. Benefits start to vest after 10 or 15 years of service and are recognized as expenses when they are vested.

Group life, medical and dental plans represents the liability for claims in progress and claim fluctuations under those plans at the end of the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. EMPLOYEE BENEFIT OBLIGATIONS (CONTINUED)

d. Multiemployer defined benefit plans

Two multiemployer defined benefit plans provide benefits to employees of the City of Regina, the Regina Qu'Appelle Health Region (the Regina General Hospital Division and Community Health Division), Buffalo Pound Water Treatment Corporation, Regina Public Library, and the non-teaching staff of the Board of Education of the Regina School Division No. 4 of Saskatchewan. The following represents the amounts for these plans.

	Superannuation & Benefit Plan	Long-Term Disability Plan	**Total 2016**	Total 2015
Benefit expense	15,828	1,304	**17,132**	15,698
(Deficit) surplus of plan assets over benefit obligation per plan financial statements	(47,438)	35,840	**(11,598)**	7,694
Contribution rate as a percentage of salary:				
Members	9.42 - 13.96%	0.92%		
Employers	9.42 - 13.96%	0.92%		
City employee contributions	13,148	1,209	**14,357**	15,668
Date of most recent actuarial valuation	Dec 31, 2015	Dec 31, 2014		

The contributions by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. The portion of the annual benefit costs and of the asset surpluses (deficits) that are attributable to the City cannot be easily determined. Accordingly, the multiemployer plans are accounted for on the defined contribution basis. No portion of the asset (deficit) surplus of the plans are recognized in these consolidated financial statements. The benefit expense reflected in the consolidated financial statements is equal to the City's contributions for the year.

A valuation was performed as at December 31, 2014 establishing a minimum funding requirement. In accordance with the Minimum Funding Regulations and the Plan's funding policy, the unfunded liability determined by the December 31, 2014 valuation is amortized over a period of no more than 20 years which began January 1, 2016. The cost sharing arrangement was amended such that 60% of the unfunded liability for service prior to January 1, 2016 was to be funded by the participating employer contributions and 40% from employee contributions.

e. Defined contribution pension plan

The Casual Employees' Superannuation and Elected Officials' Money Purchase Pension Plan is a defined contribution plan. Pension fund assets are invested in marketable investments of organizations external to the City. Benefit expense is limited to the City's contributions to the plan.

	2016	2015
Casual employee members' contribution rate	**3.00%**	3.00%
Elected official members' contribution rate	**6.95%**	6.95%
Members' contributions	**309**	329
Benefit expense	**309**	329

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9. TANGIBLE CAPITAL ASSETS

	Net Book Value	
	2016	2015
General		
Land	**123,285**	107,169
Land improvements	**67,499**	61,122
Buildings and building improvements	**388,542**	128,141
Vehicles and equipment	**146,482**	141,151
Office and information technology	**19,744**	14,532
Infrastructure		
Plants and facilities	**345,578**	194,982
Roads	**357,849**	345,508
Underground and other networks	**468,602**	458,047
Bridges and other structures	**23,819**	21,117
	1,941,400	1,471,769
Assets under construction	**84,385**	363,934
	2,025,785	1,835,703

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 3).

During the year write downs of assets were $nil (2015 - $nil). In addition, tangible capital assets contributed to the City totalled $30,638 (2015 - $14,114), which were capitalized and recorded as revenue at their fair value at the time of receipt.

Tangible capital assets of $168,591 (2015 - $129,342) and a related accounts payable and accrued liability of $1,107 (2015 - $49,739) and long-term debt of $77,618 (2015 - $49,603) were recorded in relation to the Wastewater Treatment Plant.

Tangible capital assets of $275,744 (2015 - $178,091) and a related accounts payable and accrued liability of $4,815 (2015 - $56,177) were recorded in relation to the Regina Revitalization Initiative Stadium Project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. LANDFILL CLOSURE AND POST-CLOSURE

Legislation requires closure and post-closure care of solid waste landfill sites. Closure care includes final covering and landscaping of the landfill and implementation of drainage and gas management plans. Post closure care requirements include cap maintenance, groundwater monitoring, gas management system operations, inspections and annual reports.

	2016	2015
Estimated closure and post-closure costs over 40 years after capacity is reached	**57,233**	50,636
Discount rate	**3.91%**	3.62%
Expected year capacity will be reached	**2030**	2030
Capacity (m3):		
Used to date	**11,203,072**	10,938,072
Remaining	**3,291,053**	3,556,053
Total	**14,494,125**	14,494,125
Percent utilized	**77.29%**	75.47%
Landfill liability	**24,650**	29,124

Landfill closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, pumping of groundwater and leachates from the site, and ongoing environment monitoring, site inspection and maintenance. The liability recognized in the financial statements is subject to measurement uncertainty. The recognized amounts are based on the City's best information and judgment. Amounts could change by more than a material amount in the long term.

The unfunded liability for the landfill will be paid for per the annual approved budget where capital expenditures will be funded from the Landfill reserve and operational expenses will be funded through the operating budget, resulting in a reduction in the transfer to the Landfill reserve.

Financial assurance on projects related to construction liability, including landfill are handled as follows. Requirement of a Performance Bond and a Labour & Material Payment Bond, both in the amount of 50% of the total contract price for each contract. The Performance Bond is typically in place through the two-year warranty period and provides assurance that the contractor will perform and complete the contracted work. If they do not, the bonding company will either take over the project to completion or compensate the owner up to the value of the bond for completion of the work.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. LANDFILL CLOSURE AND POST-CLOSURE (CONTINUED)

The labour & material payment bond protects the owner from a general contractor not paying their subcontractors or material suppliers. The bonding company would pay any unpaid subcontractors or material suppliers up to the value of the bond.

Builder's Lien Holdback - A provincial act requires that the City withhold payment each progress certificate for 45 days. Similar to the Labour & Material Payment Bond the intent is to protect subcontractors and material suppliers who do not get paid by the general contractor.

Deficiency Holdback - The City contract provides the right for the owner to withhold payment for deficient work. Typically the holdback is not released until the deficiency is corrected and in some case it will not be released if the contractor decides to not complete the work.

Insurance - The City contract requires the general contractor to have insurance jointly in the name of the City for each project. The City has fairly significant general requirements for all contracts and include special insurance requirements for unique projects. ie. environmental insurance for environment selective projects.

11. COMMITMENTS AND CONTINGENT LIABILITIES

1) As at December 31, 2016, the expected commitment related to the Wastewater Treatment Plant is $270,115. The P3 Canada Fund has approved federal funding for up to 25% of the eligible costs, this funding is estimated at approximately $48,200. The Wastewater Treatment Plant is being pursued as a P3 project and has qualified for P3 funding from the Government of Canada. On May 29, 2014 the City announced that EPCOR Water Prairies Inc. as the preferred proponent to design, build, finance, operate and maintain the City's new Wastewater Treatment Plant. EPCOR has taken on operations for the existing facility. At December 31, 2016 the new facility was substantially complete. EPCOR will also operate the new facility until June 2044.

The payment schedule is as follows:

	Total
2017	**10,573**
2018	**10,206**
2019	**13,256**
2020	**10,244**
2021 through 2044	**225,836**
	270,115

2) Māmawêyatitān Centre Development Agreement - The agreement is made between the Board of Education of the Regina School Division No. 4 of Saskatchewan, the City and the Regina Public Library Board. The City and the Regina Public Library's share is 27.2% and based on that have authorized a maximum contribution of $11,300. As at December 31, 2016 the total contributed was $7,810 (2015 - $4,081).

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(in thousands of dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

3) Taylor Field Neighbourhood – This project relates to the development of the area where the current Mosaic Stadium is located. Significant work is not expected to start until the stadium is decommissioned in 2017. No expenditures were incurred in 2016.

4) Railyard Renewal – This project relates to the development of the old CP Railyard.

5) Animal Services Agreement - The agreement made on January 1, 2015 between the City and the Regina Humane Society Inc. (RHS) for animal services and the capital cost of a new facility. The City's share is 46% of the capital costs of the RHS Facility. The committment includes an annual fee of $1,290 for services; share of the capital cost of the facility $9,660; financing costs for the financing of the City's share; and an amount equal to 10% of the value of all licenses sold or renewed through RHS.

12. LAND INVENTORY

Property acquired through the tax enforcement process and held for sale is recorded at the lesser of cost and net realizable value. Cost is equal to the outstanding taxes including any applicable penalties, as well as the costs incurred in acquiring the land. The valuation allowance reflects a potention reduction in carrying value that may be realized upon sale. Land acquired other than through the tax enforcement process and held for sale is recorded at the lower of cost or net realizable value. Land inventory also includes acquisition costs of the land and the improvements to prepare the land for sale or servicing. Related development costs incurred to provide infrastructure are recorded as capital assets under their respective function.

	2016	2015
Developed land	**4,161**	-
Long-term inventory	**4,073**	-
	8,234	-
Acquired property held for resale, net of allowance	**665**	329
	8,899	329

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. ACCUMULATED SURPLUS

Accumulated surplus represents the equity of an organization. In determining accumulated surplus, revenues and expenses are recognized as they are earned and incurred, according to PSAS.

Council through its annual budget process and other policies and bylaws may fund certain amounts on a basis that differs from the expense recognition basis prescribed by PSAS.

Unappropriated surpluses represent equity relating to certain entities consolidated within the City's financial statements that have not been designated for a specific use by that entity.

Appropriations for capital projects and reserves represent amounts that have been internally restricted for specific purposes.

Obligations to be funded from future revenues represent amounts recognized as expenses according to PSAS, that will be funded from future revenues.

Infrastructure to be funded from future service agreement fees represent infrastructure that has been constructed by the City, the costs of which are expected to be funded from future service agreement fees.

	2016	2015
Unappropriated surpluses:		
Regina Downtown Business Improvement District	**44**	42
Economic Development Regina Inc.	**50**	298
Regina Public Library Board	**10**	718
Regina's Warehouse Business Improvement District	**75**	75
The Regina Exhibition Association Limited	**(1,477)**	167
Buffalo Pound Water Treatment Corporation	**(97)**	-
Tangible capital assets	**2,025,785**	1,835,703
Appropriated surpluses:		
General capital projects	**117,027**	130,638
Utility capital projects	**27,859**	(4,939)
Reserves (Note 14)	**218,764**	236,720
Infrastructure to be funded from future servicing agreement fees:		
Water, wastewater and drainage	**(24,286)**	(38,151)
Obligations to be funded from future revenues:		
Long-term debt	**(293,512)**	(271,651)
Employee benefit obligations	**(75,672)**	(78,948)
Landfill closure and post-closure	**(24,650)**	(29,124)
Capital lease obligations	**(1,108)**	(1,105)
Accumulated surplus	**1,968,812**	1,780,443

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. RESERVES

	2016	2015
City of Regina reserves:		
General utility reserve	**66,695**	79,868
Facility reserve	**1,230**	1,000
General fund reserve	**26,211**	32,577
Landfill reserve	**30,854**	20,765
Regina revitalization initiative - stadium reserve	**20,770**	28,467
Land development reserve	**(8,085)**	3,224
Asset revitalization reserve	**29,184**	18,600
Equipment replacement reserve	**4,997**	4,278
Social development reserve	**5,929**	5,529
Operational commitments reserve	**482**	482
Planning & sustainability reserve	**6,936**	8,524
Winter road maintenance reserve	**6,474**	3,902
Regina Police Service general reserve	**829**	819
Asphalt reserve	**2,307**	2,320
Grants reserve	**306**	487
Golf course reserve	**48**	293
Technology reserve	**607**	490
Employer provided parking reserve	**872**	1,189
Cemetery reserve	**483**	528
Pest management reserve	**413**	350
Regina Police Service radio equipment reserve	**74**	41
	197,616	213,733
Group Benefits reserves:		
Group life insurance reserve	**4,398**	5,162
Dental benefits reserve	**2,116**	2,157
Medical - City of Regina reserve	**740**	1,148
Police services premium reduction reserve	**350**	421
Police long-term disability reserve	**128**	122
	7,732	9,010
Other Entities reserves:		
Regina Public Library reserves	**10,639**	11,353
Buffalo Pound Water Treatment Corporation/Administration Board	**2,011**	1,933
Regina Downtown Business Improvement District reserve	**546**	471
Regina's Warehouse Business Improvement District infrastructure reserve	**220**	220
	13,416	13,977
	218,764	236,720

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. TAXATION

	Budget (Note 1j) 2016	**Actual 2016**	Actual 2015
Total taxation revenue levied	-	**368,907**	351,590
Taxes levied on behalf of others:			
Regina School Division No. 4	-	**(87,905)**	(84,437)
Global Transportation Hub Authority	-	**(1,742)**	(1,591)
Regina Roman Catholic Separate School Division No. 81	-	**(39,112)**	(37,589)
Taxation revenue	237,488	**240,148**	227,973
City of Regina			
Municipal levies	189,473	**189,989**	180,751
Grants in lieu	23,164	**24,906**	23,058
Supplementary taxes	1,600	**1,211**	1,551
Other	1,812	**2,021**	1,875
	216,049	**218,127**	207,235
Regina Public Library			
Taxation levies	19,080	**19,407**	18,510
Grants in lieu	1,151	**1,327**	1,189
	20,231	**20,734**	19,699
Regina Downtown Business Improvement District levies	965	**1,043**	803
Regina's Warehouse Business Improvement District levies	243	**244**	236
	237,488	**240,148**	227,973

Taxation revenue is recorded net of an allowance for uncollectible outstanding taxes and a provision for potential losses on assessment appeals outstanding. As at December 31, 2016, the following amounts are reflected in the Consolidated Statement of Financial Position for these provisions:

	2016	2015
Allowance for doubtful outstanding taxes netted against taxes receivable	**3,990**	3,201
Provision for assessment appeals included in accounts payable	**4,789**	1,204

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. GOVERNMENT TRANSFERS

	Budget (Note 1j) 2016	**Actual 2016**	Actual 2015
Operating transfers			
Federal	42,149	**42,455**	41,418
Provincial	9,029	**9,927**	16,449
	51,178	**52,382**	57,867
Capital transfers			
Federal	63,278	**22,973**	2,974
Provincial	4,204	**42,864**	26,820
	67,482	**65,837**	29,794
	118,660	**118,219**	87,661

Government transfers do not include grants in lieu of taxes received from the Federal and Provincial governments. These amounts are included with taxation revenue (Note 15).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. GOVERNMENT PARTNERSHIPS

BPWTC was incorporated in 2016 as a non-profit membership corporation by the City of Regina and the City of Moose Jaw.

Its purpose is to operate the assets of the Buffalo Pound Water Treatment Plant. BPWTC is responsible for reliable and efficient provision of safe, high quality and affordable drinking water to the Cities. Based on the provisions of unanimous membership agreement, BPWTC is intended to operate a full cost recovery model and is mainly funded by water rates as paid by the Cities.

The following is a schedule of relevant financial information as stated within the financial statements of BPWTC for the year ended December 31, 2016 in thousands of dollars. There are no known contractual obligations or contingencies as at December 31, 2016. These amounts represent 100% of the financial position and activities:

Statement of Financial Position	**2016**
Financial assets	**3,680**
Financial liabilities	**1,327**
Net financial assets	**2,353**
Non-financial assets	**113**
Accumulated surplus	**2,466**
Statement of Operations	
Revenue	**11,757**
Contribution from Buffalo Pound Water Administration Board	**2,056**
Expenses	**11,347**
Annual surplus	**2,466**

The financial statements shown are proportionately consolidated within the consolidated financial statements at 74.00%, representing the City's interest in BPWTC. After eliminating inter-company transactions, the following amounts have been included in the consolidated financial statements:

Statement of Financial Position	**2016**
Financial assets	**2,277**
Financial liabilities	**990**
Non-financial assets	**84**
Net assets	**1,371**
Statement of Operations	
Revenue	**1,534**
Expenses	**4,882**
Annual deficit	**(3,348)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. GOVERNMENT PARTNERSHIPS (CONTINUED)

In prior year Buffalo Pound Water Administration Board (BPWAB) operated under an agreement between the Cities of Moose Jaw and Regina. Its purpose was to operate the Buffalo Pound Water Treatment Plant and to supply water to the two cities at cost. Any (recovery) distribution of annual operating (deficit) surplus was shared between the cities according to their respective usage. This Board has been dissolved on January 1, 2016.

The following is a schedule of relevant financial information as stated within the financial statements of BPWAB for the year ended December 31, 2015.

Statement of Financial Position	2015
Financial assets	4,904
Financial liabilities	2,958
Net financial assets	1,946
Tangible capital assets	21,563
Other non-financial assets	110
Net assets	23,619
Statement of Operations	
Revenue	10,794
Expenses	12,882
Annual deficit	(2,088)

The above amounts were proportionately consolidated within the consolidated financial statements at 74.14%, the City's interest in government partnership. After eliminating transactions between the City and the partnership, the following amounts have been included in the consolidated financial statements.

Statement of Financial Position	2015
Financial assets	1,893
Financial libilities	1,101
Non-financial assets	15,529
Net assets	16,321
Statement of Operations	
Revenue	1,388
Expenses	8,299
Annual deficit	(6,911)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. GOVERNMENT PARTNERSHIPS (CONTINUED)

Buffalo Pound Water Treatment Plant (BPWTP) is a jointly controlled asset of the City of Regina and the City of Moose Jaw. Prior to January 1, 2016, the assets of BPWTP were operated by the Buffalo Pound Water Administration Board. On January 1, 2016 the plant assets of BPWAB were transferred under the joint control of the City of Regina and the City of Moose Jaw.

The condensed supplmentary financial information of the Buffalo Pound Water Treatment Plant is as follows:

Statement of Financial Position	**2016**
Tangible Capital Assets	**21,677**
Statement of Operations	
Revenue	**1,911**
Expenses	**1,797**
Annual surplus	**114**

The financial statements shown are proportionately consolidated within the consolidated financial statements at 74.00%, representing the City's interest in the Buffalo Pound Water Treatment Plant. After eliminating inter-company transactions, the following amounts have been included in the consolidated financial statements:

Statement of Financial Position	**2016**
Tangible Capital Assets	**16,041**
Statement of Operations	
Revenue	-
Expenses	**1,330**
Annual deficit	**(1,330)**

Consolidated Financial Statements (December 31, 2016)

(in thousands of dollars)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. GOVERNMENT PARTNERSHIPS (CONTINUED)

The City of Regina and the Regina Public Library have entered into a master agreement with the Board of Education of the Regina School Division No. 4 to construct an integrated educational/library/community facility in the North Central area of the City fo Regina known as the Mâmawêyatitân Centre. Construction began in 2015 and will be completed in 2017. The purpose of the partnership is to develop and operate a Facility as an integrated gathering place of the community and to deliver programs and services to the public. Any distribution (recovery) of annual operation surplus (deficit) is shared between the partners according to their respective usage of services.

The condensed supplementary financial information of the Mâmawêyatitân Centre is as follows:

	2016	2015
Tangible Capital Assets	**29,568**	11,589

The above financial information has been proportionately consolidated with the City and the Regina Public Library's partnership share of 27.2% (2015 - 27.2%). After adjusting the accounting the accounting policies to be consistent with those of the City's and Regina Public Library and eliminating transactions between the partnership and the City, the following amounts have been included in the consolidated financial statements:

	2016	2015
Tangible Capital Assets	**7,810**	4,081

18. DEFERRED REVENUE

	December 31, 2015	Externally restricted inflows	Revenue earned	**December 31, 2016**
Gas taxes	5,957	**-**	**(5,957)**	**-**
Servicing agreement fees	21,109	**31,213**	**(884)**	**51,438**
Property taxes	705	**104**	**-**	**809**
Paved alleys	2,399	**3,310**	**(3,201)**	**2,508**
Gravel alleys	928	**1,669**	**(1,836)**	**761**
Cemetery internments	573	**53**	**-**	**626**
Other	13,031	**9,629**	**(1,629)**	**21,031**
	44,702	**45,978**	**(13,507)**	**77,173**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

19. FUNDS HELD IN TRUST

The City of Regina administers the following trusts. As related assets are not owned by the City, the trusts have been excluded from the consolidated financial statements. Following is a summary of the net assets of the trusts:

	2016	2015
Perpetual Care Trust	**2,644**	2,633
Williamson Driver Award	**5**	5
	2,649	2,638

20. SEGMENTED INFORMATION

The City is a diversified municipal government institution that provides a wide range of services to its citizens, including police, fire, and public transit, and water. The organizational structure includes Legal, City Clerk and Governance, Corporate services, Human Resources, City services, Transportation and Utilities, Planning and Development and Regina Police Services. The segmented information in these statements reflect the organizational structure described. For management reporting purposes, the City's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. The financial activities of the City reported by Fund are included in Schedule 1. City services are provided by groups/divisions and their activities are reported in these funds. Certain divisions that have been separately disclosed in the segmented information in Schedule 2, along with the services they provide, are as follows:

a. City services

City service includes Service Regina, Regina Revitalization Initative, Wastewater Treatment Plant Upgrade, Project support office, Community services, Parks & Open Space and Transit services provide external customer services to public residents.

b. Transportation and Utilities

Transportation and Utilities is responsible to ensure the City's infrastructure systems are effectively preserved, funded, and operated. This division preserves and operates municipal infrastructure involving roadways, traffic, water, drainage, waste water and solid waste to meet regulatory requirements and community needs.

c. Planning and Development

Planning and Development provides a long-term comprehensive approach to planning, engineering and development processes to ensure the efficient use of land and community infrastructure. The division encompasses land use, neighbourhood, transportation and infrastructure planning, long range capital planning, development review, building permits and inspection, and real estate services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. SEGMENTED INFORMATION (CONTINUED)

d. Regina Police Services

Regina Police Services is responsible for the delivery of policing services within the municipality and dedicated to a safe and caring community.

e. Corporate services

Corporate services provides services and support to both internal and external customers, enabling City Operations to maximize effectiveness and potential. Corporate Services includes Finance, Information Technology Services, Human Resources, Fleet Services, Strategy Management and Facilities Management Services.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Operations by Segment (Schedule 2).

Schedules

Financial Statements (December 31, 2016)

(in thousands of dollars)

CONSOLIDATED STATEMENT OF OPERATIONS BY FUND AND ORGANIZATION **Schedule 1**

	General Operating	Utility Operating	General Capital	Utility Capital	Total City of Regina
REVENUE					
Taxation	218,615	-	-	-	218,615
Fees and charges	63,631	127,924	122	-	191,677
Government transfers	52,380	-	53,003	-	105,383
Electrical distribution	25,267	-	-	-	25,267
Licenses, fines and levies	13,846	-	-	-	13,846
Gas distribution	6,138	-	-	-	6,138
Interest and penalties	1,863	217	-	-	2,080
Interest on portfolio investments	13,229	-	-	(316)	12,913
Realized gains on portfolio investments	4,326	-	-	-	4,326
Servicing agreement fees	5,360	-	(4,919)	17,042	17,483
Land sales	533	-	-	-	533
Other	18,931	117	11,248	(56)	30,240
Contribution of tangible capital assets	-	-	25,999	4,639	30,638
Other capital contributions	-	-	49,565	-	49,565
	424,119	128,258	135,018	21,309	708,704
EXPENSES					
Parks, recreation and community services	42,037	-	18,067	-	60,104
Police	76,213	-	1,440	-	77,653
Legislative and administrative services	68,852	-	5,958	-	74,810
Water, wastewater and drainage	-	60,774	-	24,282	85,056
Roads and traffic	20,327	-	8,758	-	29,085
Fire	44,766	-	331	-	45,097
Transit	36,714	-	852	-	37,566
Waste collection and disposal	15,595	-	946	-	16,541
Grants	6,347	-	18,200	-	24,547
Planning and development	18,766	-	-	-	18,766
Amortization	-	-	53,149	16,526	69,675
	329,617	60,774	107,701	40,808	538,900
Annual surplus (deficit)	94,502	67,484	27,317	(19,499)	169,804

(in thousands of dollars)

CONSOLIDATED STATEMENT OF OPERATIONS BY FUND AND ORGANIZATION **Schedule 1**

RDBID	EDR	BPWTC & BPWTP	RPL	RWBID	REAL	Consolidation adjustments	**Consolidated 2016**
1,043	-	-	20,734	244	-	(488)	**240,148**
-	988	8,659	679		26,710	(10,997)	**217,716**
77	1,720	-	968	-	19,567	(9,496)	**118,219**
-	-	-	-	-	-	-	**25,267**
-	-	-	-	-	-	-	**13,846**
-	-	-	-	-	-	-	**6,138**
-	-	23	-	-	-	-	**2,103**
-	-	-	-	-	-	-	**12,913**
-	-	-	-	-	-	-	**4,326**
-	-	-	-	-	-	-	**17,483**
-	-	-	-	-	-	-	**533**
91	-	18	-	3	2,600	(26,068)	**6,884**
-	-	-	-	-	-	-	**30,638**
-	-	-	-	-	-	-	**49,565**
1,211	2,708	8,700	22,381	247	48,877	(47,049)	**745,779**
1,084	2,637	-	17,796	163	28,942	(4,183)	**106,543**
-	-	-	-	-	-	-	**77,653**
-	-	-	-	-	-	(142)	**74,668**
-	-	6,837	-	-	-	(22,228)	**69,665**
-	-	-	-	-	-	-	**29,085**
-	-	-	-	-	-	-	**45,097**
-	-	-	-	-	-	-	**37,566**
-	-	-	-	-	-	-	**16,541**
-	-	-	-	-	-	(20,496)	**4,051**
-	-	-	-	-	-	-	**18,766**
62	20	1,325	2,273	13	4,407	-	**77,775**
1,146	2,657	8,162	20,069	176	33,349	(47,049)	**557,410**
65	51	538	2,312	71	15,528	-	**188,369**

Financial Statements (December 31, 2016)

(in thousands of dollars)

CONSOLIDATED STATEMENT OF OPERATIONS BY SEGMENT **Schedule 2**

	City Services	Transportation and Utilities	Planning and Development	Regina Police Service	Corporate Services	Total City of Regina
REVENUE						
Taxation	3,148	-	203,193	-	12,274	218,615
Fees and charges	29,355	24,434	5,930	1,063	130,894	191,676
Government transfers	33,774	24,587	319	7,219	39,484	105,383
Electrical distribution	-	-	-	-	25,267	25,267
Licenses, fines and levies	3,639	1,188	5,038	-	3,981	13,846
Gas distribution	-	-	-	-	6,138	6,138
Interest and penalties	-	-	1,861	-	219	2,080
Interest on portfolio investments	123	-	-	-	12,790	12,913
Realized gains on portfolio investments	-	-	-	-	4,326	4,326
Servicing agreement fees	584	-	5,662	-	11,237	17,483
Land sales	-	-	533	-	-	533
Other	325	96	208	1,736	27,876	30,241
Contribution of tangible capital assets	7,169	16,547	-	-	6,922	30,638
Other capital contributions	25,000	-	-	-	24,565	49,565
	103,117	66,852	222,744	10,018	305,973	708,704
EXPENSES						
Wages and benefits	81,338	36,693	17,997	66,698	42,546	245,272
Materials, supplies, and other goods	15,220	18,690	86	5,434	26,526	65,956
Contracted and general services	12,164	57,150	7,407	5,210	19,340	101,271
Utilities	219	16,708	-	348	4,003	21,278
Transfer payments/grants	71	114	5,396	45	20,704	26,330
Interest	-	-	-	-	9,118	9,118
Amortization	13,603	41,562	-	2,441	12,069	69,675
	122,615	170,917	30,886	80,176	134,306	538,900
Annual (deficit) surplus	(19,498)	(104,065)	191,858	(70,158)	171,667	169,804

(in thousands of dollars)

CONSOLIDATED STATEMENT OF OPERATIONS BY SEGMENT **Schedule 2**

RDBID	EDR	BPWTC & BPWTP	RPL	RWBID	REAL	Consolidation adjustments	**Consolidated 2016**
1,043	-	-	20,734	244	-	(488)	**240,148**
-	988	8,659	679	-	26,710	(10,997)	**217,715**
77	1,720	-	968	-	19,567	(9,496)	**118,219**
-	-	-	-	-	-	-	**25,267**
-	-	-	-	-	-	-	**13,846**
-	-	-	-	-	-	-	**6,138**
-	-	23	-	-	-	-	**2,103**
-	-	-	-	-	-	-	**12,913**
-	-	-	-	-	-	-	**4,326**
-	-	-	-	-	-	-	**17,483**
-	-	-	-	-	-	-	**533**
91	-	18	-	3	2,600	(26,068)	**6,885**
-	-	-	-	-	-	-	**30,638**
-	-	-	-	-	-	-	**49,565**
1,211	2,708	8,700	22,381	247	48,877	(47,049)	**745,779**
517	1,355	2,542	12,383	2	17,030	-	**279,101**
132	73	1,663	5,413	13	8,685	(15,609)	**66,326**
429	1,209	1,358	-	148	961	(3,533)	**101,843**
-	-	1,274	-	-	2,266	(7,411)	**17,407**
6	-		-	-	-	(20,496)	**5,840**
-	-	-	-	-	-	-	**9,118**
62	20	1,325	2,273	13	4,407	-	**77,775**
1,146	2,657	8,162	20,069	176	33,349	(47,049)	**557,410**
65	51	538	2,312	71	15,528	-	**188,369**

Financial Statements (December 31, 2016)

(in thousands of dollars)

CONSOLIDATED STATEMENT OF OPERATIONS BY SEGMENT **Schedule 2**

	City Services	Transportation and Utilities	Planning and Development	Regina Police Services	Corporate Services	Total City of Regina
REVENUE						
Taxation	-	-	193,634	-	14,132	207,766
Fees and charges	34,843	25,267	6,738	622	121,125	188,595
Government transfers	27,388	3,548	560	7,223	47,349	86,068
Electrical distribution	-	-	-	-	24,417	24,417
Licenses, fines and levies	4,027	1,556	4,965	-	3,663	14,211
Gas distribution	-	-	-	-	7,076	7,076
Interest and penalties	-	-	1,596	-	204	1,800
Interest on portfolio investments	118	-	-	-	18,822	18,940
Realized gains on portfolio investments	-	-	-	-	8,311	8,311
Servicing agreement fees	757	-	1,588	-	17,994	20,339
Land sales	-	-	3,877	-	-	3,877
Other	324	1,608	6,170	1,544	18,233	27,879
Contribution of tangible capital assets	1,602	3,495	-	-	9,017	14,114
	69,059	35,474	219,128	9,389	290,343	623,393
EXPENSES						
Wages and benefits	74,630	38,390	16,603	64,817	38,713	233,153
Material, supplies and other goods	24,065	(12,515)	970	4,044	16,260	32,824
Contracted and general services	4,985	2,868	11,307	5,025	58,849	83,034
Utilities	166	15,379	-	361	3,430	19,336
Transfer payments/grants	66	1	5,510	37	7,907	13,521
Interest	-	-	-	-	9,342	9,342
Amortization	9,686	39,836	-	2,196	10,662	62,380
	113,598	83,959	34,390	76,480	145,163	453,590
Annual (deficit) surplus	(44,539)	(48,485)	184,738	(67,091)	145,180	169,803

CONSOLIDATED STATEMENT OF OPERATIONS BY SEGMENT **Schedule 2**

RDBID	EDR	BPWTB	RPL	RWBID	Real	Consolidation adjustments	**Consolidated 2015**
802	-	-	19,699	236	-	(530)	**227,973**
-	741	7,693	652	13	26,873	(7,515)	**217,052**
28	1,720	-	1,149	4	939	(2,246)	**87,662**
-	-	-	-	-	-	-	**24,417**
-	-	-	-	-	-	-	**14,211**
-	-	-	-	-	-	-	**7,076**
-	-	32	-	-	-	-	**1,832**
-	-	-	-	-	-	-	**18,940**
-	-	-	-	-	-	-	**8,311**
-	-	-	-	-	-	-	**20,339**
-	-	-	-	-	-	-	**3,877**
75	-	22	-	4	2,600	(19,406)	**11,174**
-	-	-	-	-	-	-	**14,114**
905	2,461	7,747	21,500	257	30,412	(29,697)	**656,978**
468	1,187	2,475	12,194	1	14,318	-	**263,796**
109	59	2,016	4,898	11	5,596	(15,679)	**29,834**
324	963	1,237	-	152	6,007	(1,611)	**90,106**
-	-	1,303	-	-	2,346	(4,661)	**18,324**
-	-	-	-	-	-	(7,746)	**5,775**
-	-	-	-	-	-	-	**9,342**
52	16	1,295	2,217	10	4,374	-	**70,344**
953	2,225	8,326	19,309	174	32,641	(29,697)	**487,521**
(48)	236	(579)	2,191	83	(2,229)	-	**169,457**

Financial Statements (December 31, 2016)

(in thousands of dollars)

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS **Schedule 3**

	General				
	Land	**Land improvements**	**Buildings and building improvements**	**Vehicles and equipment**	**Office and information technology**
Cost					
Balance, beginning of year	107,169	134,329	199,510	256,996	31,088
Add:					
Additions during the year	18,260	8,436	69,375	25,439	10,924
Transfers from assets under construction	-	1,803	200,097	2,095	-
Less:					
Disposals during the year	2,144	1,403	140	11,246	7,872
Balance, end of year	123,285	143,165	468,842	273,284	34,140
Accumulated amortization					
Balance, beginning of year	-	73,207	71,369	115,845	16,556
Add:					
Amortization	-	3,266	9,011	20,749	5,712
Less:					
Accumulated amortization on disposals	-	807	80	9,792	7,872
Balance, end of year	-	75,666	80,300	126,802	14,396
Net Book Value	123,285	67,499	388,542	146,482	19,744

(in thousands of dollars)

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS **Schedule 3**

Infrastructure						
Plants and facilities	Roads	Underground and other networks	Bridges and other structures	Assets under construction	2016	2015
312,138	697,802	642,731	32,795	363,934	2,778,492	2,450,335
32,650	38,185	18,749	3,645	63,937	289,600	362,829
138,891	-	601	-	-	343,487	9,643
42,743	12,292	140	436	343,486	421,902	44,315
440,936	723,695	661,941	36,004	84,385	2,989,677	2,778,492
117,156	352,294	184,684	11,678	-	942,789	900,947
7,950	21,856	8,660	571	-	77,775	70,344
29,748	8,304	5	64	-	56,672	28,502
95,358	365,846	193,339	12,185	-	963,892	942,789
345,578	357,849	468,602	23,819	84,385	2,025,785	1,835,703

General Trust Fund Financial Statements

Auditor's Report

Deloitte.

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Independent Auditor's Report

To His Worship the Mayor and Members of City Council:

We have audited the accompanying financial statements of the General Trust Fund of the City of Regina, which comprise the statements of financial position as at December 31, 2016, and the statement of revenue, expenditures and change in fund balance for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of General Trust Fund of the City of Regina as at December 31, 2016, and the results of its operations, and its cash flows for the years then ended in accordance with Canadian public sector accounting standards.

Deloitte LLP

Chartered Professional Accountants
Licensed Professional Accountants

May 29, 2017
Regina, Saskatchewan

General Trust Fund Financial Statements (December 31, 2016)

(in thousands of dollars)

STATEMENT OF FINANCIAL POSITION

	Perpetual Care Trust	Williamson Driver Award	Total 2016	Total 2015
FINANCIAL ASSETS				
Cash	90	-	**90**	96
Long-term investments (Note 4)	2,668	5	**2,673**	2,659
Total Assets	2,758	5	**2,763**	2,755
FINANCIAL LIABILITIES AND FUND BALANCES				
Due to the City of Regina	114	-	**114**	117
Fund balance	2,644	5	**2,649**	2,638
Total Liabilities and Fund Balances	2,758	5	**2,763**	2,755

See accompanying notes.

General Trust Fund Financial Statements (December 31, 2016)

(in thousands of dollars)

STATEMENT OF REVENUE, EXPENDITURES AND CHANGE IN FUND BALANCE

	Perpetual Care Trust	**Williamson Driver Award**	Total 2016	Total 2015
REVENUE				
Contributions	10	-	**10**	11
Investment income	115	-	**115**	118
Total Revenue	125	-	**125**	129
EXPENDITURES				
Cemetery maintenance	114	-	**114**	118
Total Expenditures	114	-	**114**	118
Excess of revenue over expenditures	11	-	**11**	11
Fund balance, beginning of year	2,633	5	**2,638**	2,627
Fund balance, end of year	2,644	5	**2,649**	2,638

See accompanying notes.

General Trust Fund Financial Statements (December 31, 2016)

(in thousands of dollars)

NOTES TO FINANCIAL STATEMENTS

1 PURPOSE OF FUND

The General Trust Fund comprises the assets, liabilities, revenues and expenses of the following two trusts administered by the City of Regina (the City)

(a) Perpetual Care Trust - In accordance with *The Cemeteries Act, 1999*, a portion of the monies received by the City from the sale of cemetery plot rights is put into a trust and invested. The income from the trust is used to pay for care and maintenance of the plots. Special approval is needed from the Registrar of Cemeteries before trust capital can be used to fund care and maintenance.

(b) Williamson Driver Award - When a bond was bequeathed to the City of Regina with trust conditions attached, a trust was established under *The Trust Act*. Each year the income from the bond is used to provide a safe-driving award to a Regina Transit employee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian public sector accounting standards, as recommended by the Chartered Professional Accountants of Canada (CPA Canada). The following policies are considered to be significant.

(a) The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

(b) Investments are recorded at cost less writedowns to reflect other than temporary declines in values. Any gains or losses are recognized on disposition of the investments.

(c) Investment revenue is recorded on the accrual basis.

NOTES TO FINANCIAL STATEMENTS

3. FINANCIAL INSTRUMENTS

The carrying value of the amount due to the City of Regina approximates fair value due to its short-term nature.

Long-term investments are primarily exposed to foreign currency, interest rate, and market risk.

Interest rate risk refers to the adverse consequences of interest rate changes on the General Trust Fund's cash flows, financial position and excess of revenues over expenditures. This risk arises from differences in the timing and amount of cash flows related to the General Trust Fund's assets and liabilities.

Foreign currency risk arises from holding investments denominated in currencies other than the Canadian dollar. Fluctuations in the relative value of the Canadian dollar against these foreign currencies can result in a positive or negative effect on the fair value of investments held in the pooled bond fund.

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market.

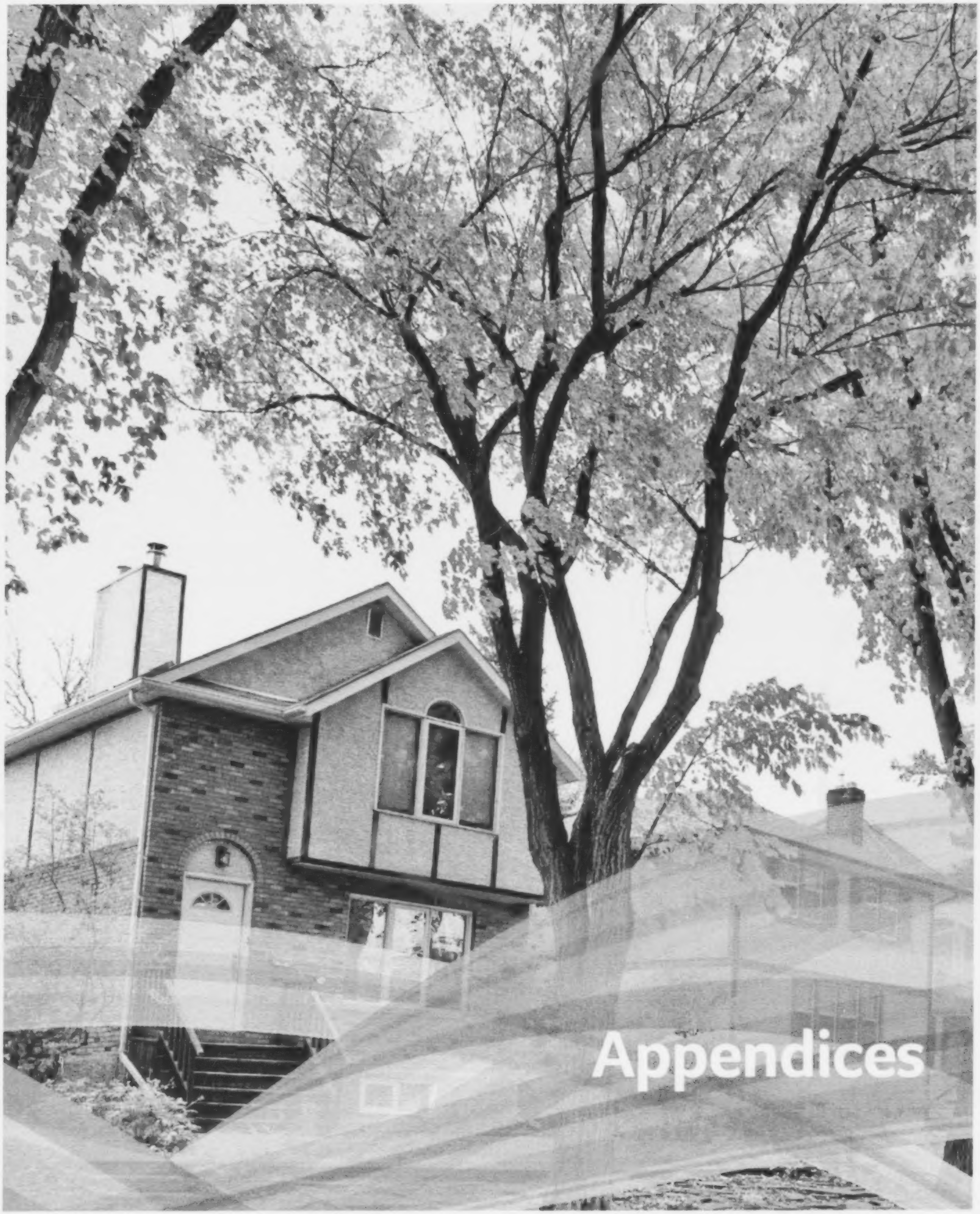
4. LONG-TERM INVESTMENTS

The long-term investments consist of a pooled bond fund. A pooled bond fund is a group of individual bonds managed by an investment manager. The market value of the pooled bond fund units is based on the market price per unit which is determined by the overall market values of each of the bonds in the fund.

	2016	2015
Investment cost	**2,673**	2,659
Market value	**2,666**	2,724

5. STATEMENT OF CASH FLOWS AND CHANGE IN NET FINANCIAL ASSETS

The statement of cash flows and the statement of change in net financial assets have not been prepared for the year ended December 31, 2016, as they would not provide additional information.



Appendices

APPENDICES

Appendix 1 – Municipal Benchmarking Network Canada 2016 Results

2015 Performance Measurement Report - Summary

The 2015 Municipal Benchmarking Network (MBN) Canada Performance Measurement Report reflects the joint efforts of 15 municipalities and includes 160 measures across 37 municipal service areas. The following results in the report were made available to the public on November 1, 2016. MBN partners can access results for all measures in the data warehouse at any time.

The 2015 Performance Measurement Report includes three years of data wherever possible (2013, 2014 and 2015). However, there are instances where measures that have been introduced in 2015 will only have one year and/or there may only be one or two years of data available for those municipalities who are reporting a service area publicly for the first time. This applies to some service areas from the cities of Calgary, Regina, Winnipeg, and Montreal.

City of Regina 2015 Results

This is Regina's first year of participation in MBN Canada and results for 2015 have been provided in 15 Service Areas.

This Appendix contains the comparative results in two different types of graphs (Range Graphs and Column Graphs) and Regina specific commentary on the influencing factors.

Influencing Factors

Results can be influenced by a number of factors and the influencing factors pertaining to the measures in the 2015 Performance Measurement Report are found at the front of each service area section.

The influencing factors speak to the uniqueness of each municipality such as population, geographic size, organizational form, government type and legislation. They also can include other unique service area or municipal impacts, specific to the reported service.

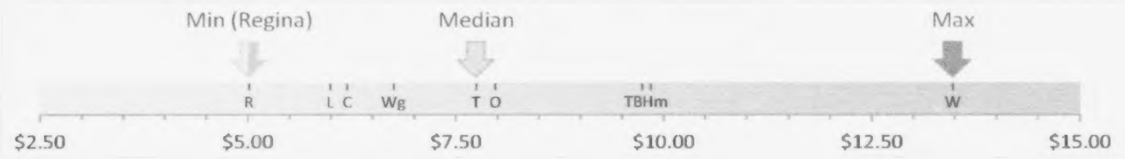
Additionally, in keeping with past practice and where applicable, cost measures are presented based on *MBN Total Cost*, which captures operating cost plus amortization. It should be noted that amortization rates and capitalization thresholds are unique to each individual municipality and it can lead to significant differences between operating cost and total cost for each municipality. All cost presented in the report are current dollars (dollar value in other time periods; not converted into present-day dollars). Inflation between 2013 and 2015 can easily explain cost increases of 4-5% even if it impacts all municipalities equally.

How to Read the Graphs

Measure Number and Name of Measure: Refers to the official measure number and name as per the MBN Data Warehouse.

BLDG206	**Number of Building Permits Issued in the calendar year**

The **Range Graphs** show the Minimum, Median and Maximum 2015 results from participating municipalities.



Unit of Measure (X axis): Refers to the unit of measure, e.g. dollars, percent, number.

Median: The median is the middle value in a set or range of data, i.e., if you had the numbers 1, 3, 5, 7 and 9, the median would be 5.

Label	**Min**	**Median**	**Max**	**Regina**
Description	Minimum value of all 2015 results from participating municipalities	Median value of all 2015 results from participating municipalities.	Maximum value of all 2015 results from participating municipalities	2015 result for City of Regina
Symbol	⇩	⬇	⬇	⬇
Label	Min (Regina)	Median (Regina)	Max (Regina)	
Description	Regina result is at the Minimum	Regina result is at the Median	Regina result is at the Maximum	
Symbol	⇩	⬇	⬇	

Results from municipalities are shown with the following abbreviations:

C City of Calgary	**D** Region of Durham	**H** Halton Region	**Hm** City of Hamilton
L City of London	**M** City of Montreal	**N** Niagara Region	**O** City of Ottawa
R City of Regina	**TB** City of Thunder Bay	**T** City of Toronto	**Wa** Region of Waterloo
W City of Windsor	**Wg** City of Winnipeg	**Y** York Region	

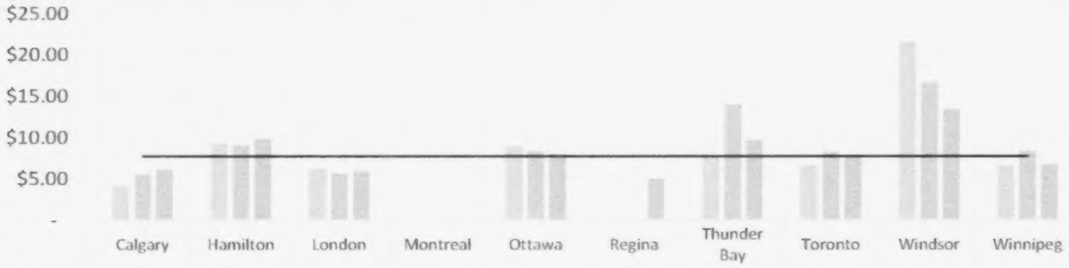
How to Read the Graphs (continued)

The **Column Graphs** are designed to show how participating municipalities compare with each other on selected service measures. Results for 2015 are shown along with comparative results from 2013 and 2014, where available.

Unit of Measure (Y axis): Refers to the unit of measure, e.g. dollars, percent, number.

Median: The 2015 median is shown as a black line of the column graph.

Results: the results for each municipality for 2013, 2014 and 2015 (where available) are shown in the data table beneath the Column Graph. Only those municipalities that participated in that Service Area are shown on the graph. A "–" in the data table indicates the municipality did not have data at the time of printing; or did not collect data for that specific measure in that year.



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
▬ 2013	$4.19	$9.31	$6.22	-	$9.01	-	$7.66	$6.65	$21.55	$6.66
▬ 2014	$5.59	$9.14	$5.74	-	$8.41	-	$14.01	$8.29	$16.68	$8.50
▬ 2015	$6.19	$9.84	$5.99	-	$7.97	$5.01	$9.74	$7.74	$13.47	$6.75
—— Median										

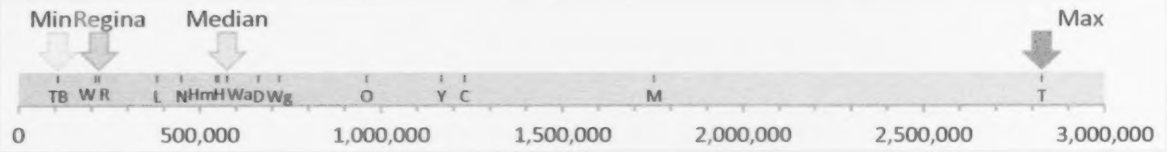
Comments are provided immediately beneath the graph to explain Regina's result, including the influencing factors for why the result is high or low compared to other municipalities.

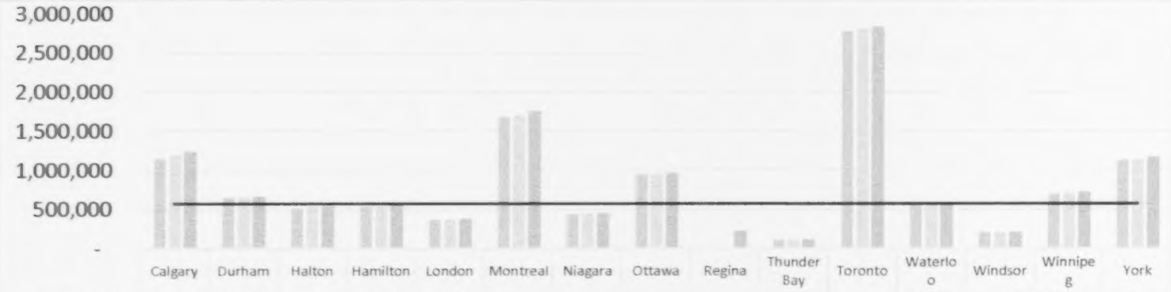
General Municipal Statistics

A few key data points are collected and compared among all municipalities in the MBN Canada benchmarking system. These provide a high level overview of municipalities and also serve as elements of other measures.

Results

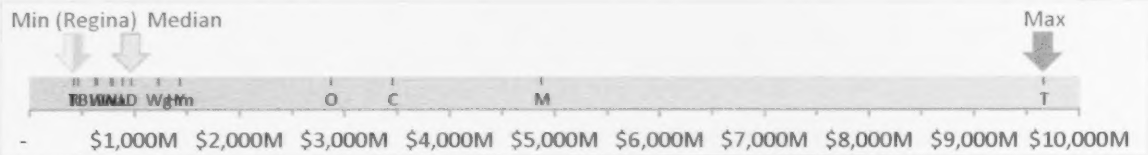
Population

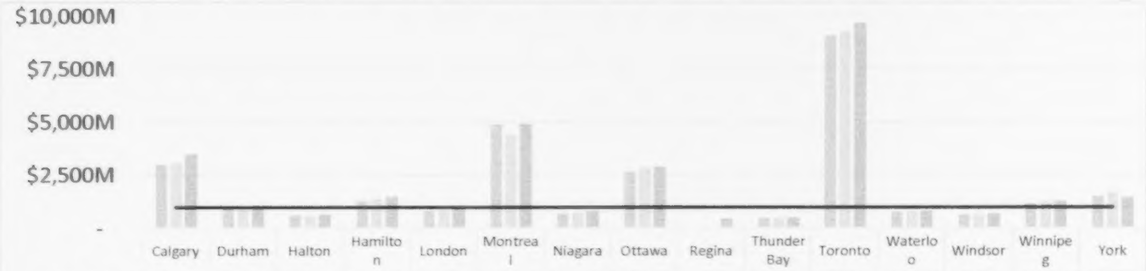




	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	1,149,5	650,895	518,311	540,000	373,730	1,678,8	445,351	943,258	-	108,359	2,771,7	563,000	210,891	699,346	1,130,4
2014	1,195,1	656,055	530,924	545,850	377,520	1,698,0	446,192	951,727	-	108,359	2,808,5	568,500	210,891	709,253	1,144,7
2015	1,230,9	660,756	543,557	550,700	381,310	1,753,0	449,098	960,754	221,407	108,359	2,826,4	575,000	210,891	718,400	1,166,3
Median															

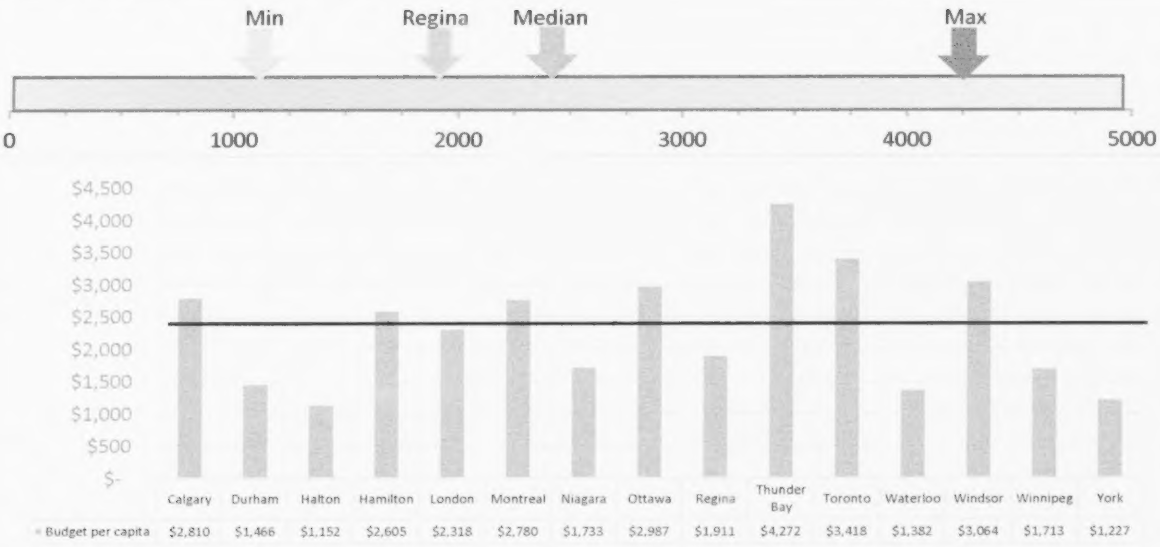
Municipal Expenses





	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$2,974M	$935M	$588M	$1,295M	$807M	$4,879M	$684M	$2,647M	-	$455M	$9,065M	$771M	$613M	$1,163M	$1,491M
2014	$3,080M	$969M	$597M	$1,353M	$864M	$4,404M	$732M	$2,843M	-	$456M	$9,277M	$779M	$622M	$1,262M	$1,677M
2015	$3,459M	$969M	$626M	$1,435M	$884M	$4,874M	$778M	$2,869M	$423M	$463M	$9,660M	$795M	$646M	$1,230M	$1,431M
Median															

Budget per Capita



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
▨ Budget per capita	$2,810	$1,466	$1,152	$2,605	$2,318	$2,780	$1,733	$2,987	$1,911	$4,272	$3,418	$1,382	$3,064	$1,713	$1,227

Building Permits and Inspections

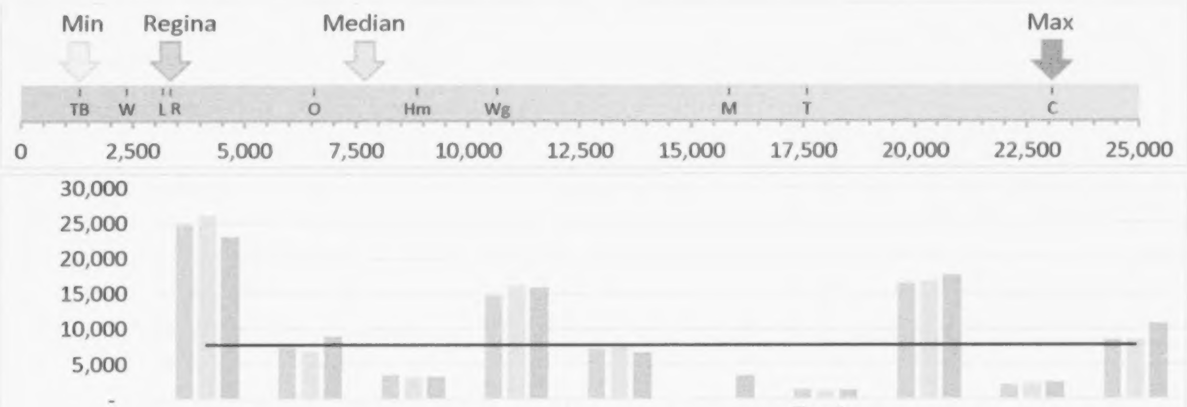
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Building Permits and Inspections Service, keep in mind the following influencing factors:

- **Complexity:** Size and technical complexity of permit applications and construction work
- **Geography:** More travel time and fewer inspections can result in higher costs per permit
- **Inspection Services:** Nature of inspection process may vary
- **Legislative Changes:** Revisions or new Acts and Regulations adds time to the review and inspection process
- **Municipal Policy:** Varying permit requirements per jurisdiction

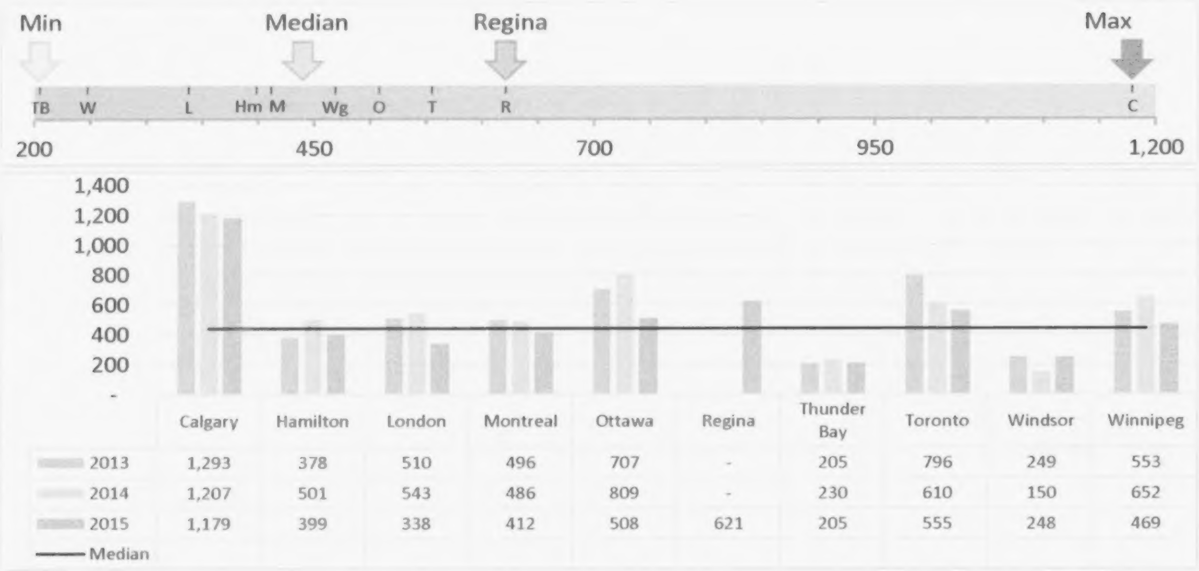
Results

Number of Building Permits Issued in the Calendar Year



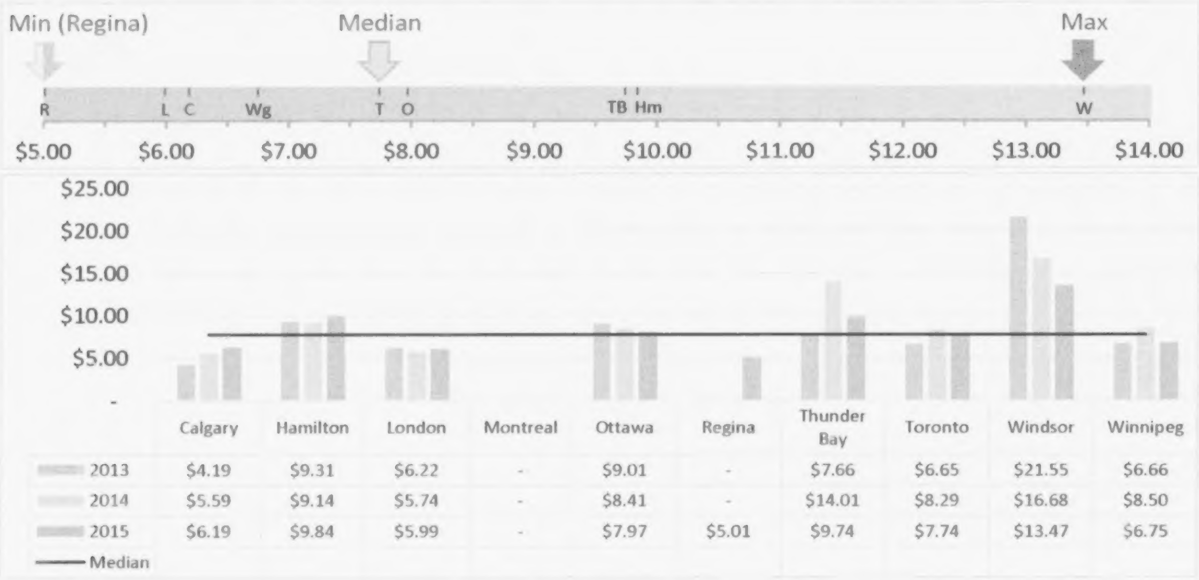
	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	24,814	7,376	3,457	14,807	7,196	-	1,438	16,466	2,101	8,461
2014	26,124	6,872	3,168	16,170	7,471	-	1,216	16,847	2,203	8,561
2015	23,063	8,857	3,165	15,847	6,554	3,343	1,307	17,584	2,358	10,654
Median						7,706				

New Residential Units Created Per 100,000 Population



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	1,293	378	510	496	707	-	205	796	249	553
2014	1,207	501	543	486	809	-	230	610	150	652
2015	1,179	399	338	412	508	621	205	555	248	469

Operating Cost for Building Permits and Inspection Services per $1,000 of Construction Activity



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	$4.19	$9.31	$6.22	-	$9.01	-	$7.66	$6.65	$21.55	$6.66
2014	$5.59	$9.14	$5.74	-	$8.41	-	$14.01	$8.29	$16.68	$8.50
2015	$6.19	$9.84	$5.99	-	$7.97	$5.01	$9.74	$7.74	$13.47	$6.75

Clerks

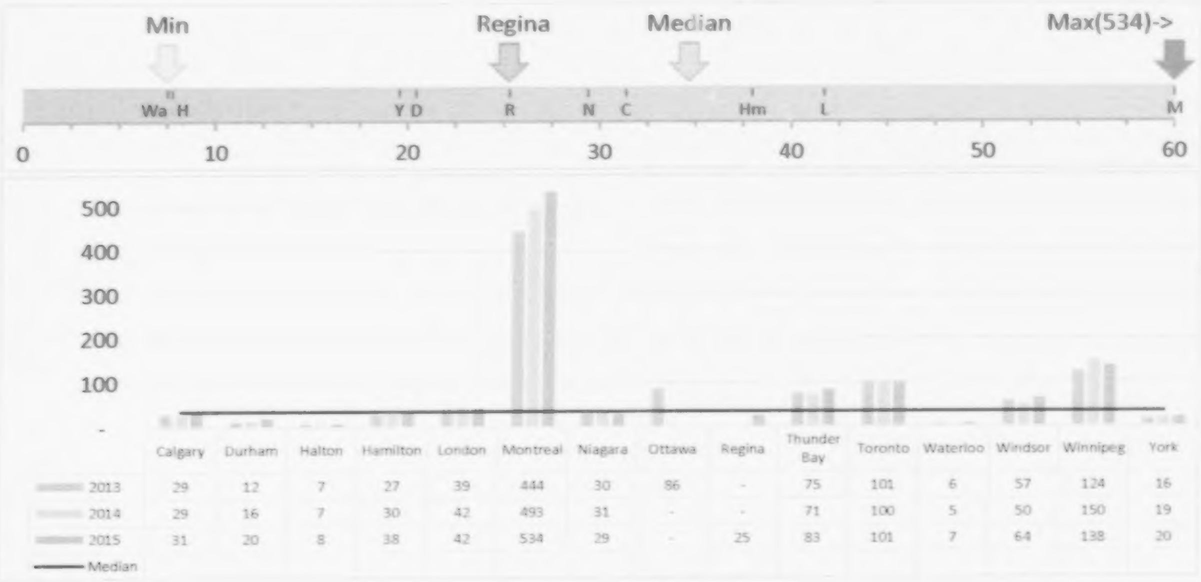
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Clerks Service, keep in mind the following influencing factors:

- **Citizen Engagement:** State of interaction with citizens
- **Complexity:** Type and number of Freedom of Information (FOI) requests
- **Contentious Issues:** Prevailing major issues in the municipality
- **Nature of Requests:** Media, special interest groups, individuals and businesses
- **Organizational:** Centralized vs. decentralized functions, organizational culture and the training of staff
- **Political Climate:** Availability of information from elected officials
- **Policy & Practices:** Responsiveness to requests and number of routine disclosure policies
- **Privacy Protection:** Growing trend to address and assess privacy concerns

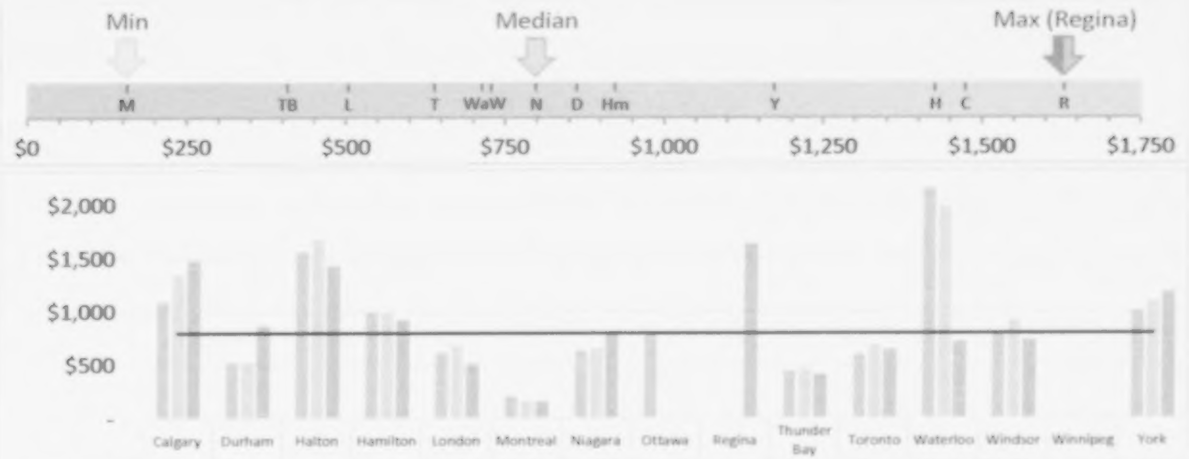
Results

Number of Formal Freedom of Information Requests per 100,000 Population



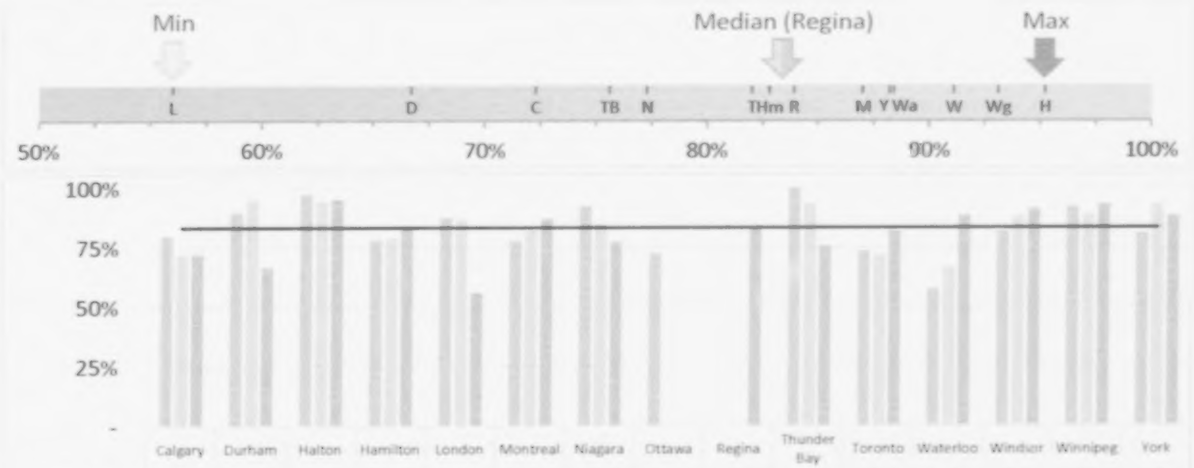
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	29	12	7	27	39	444	30	86	-	75	101	6	57	124	16
2014	29	16	7	30	42	493	31	-	-	71	100	5	50	150	19
2015	31	20	8	38	42	534	29	-	25	83	101	7	64	138	20
Median															

Operating Cost for Freedom of Information Program per Formal Request



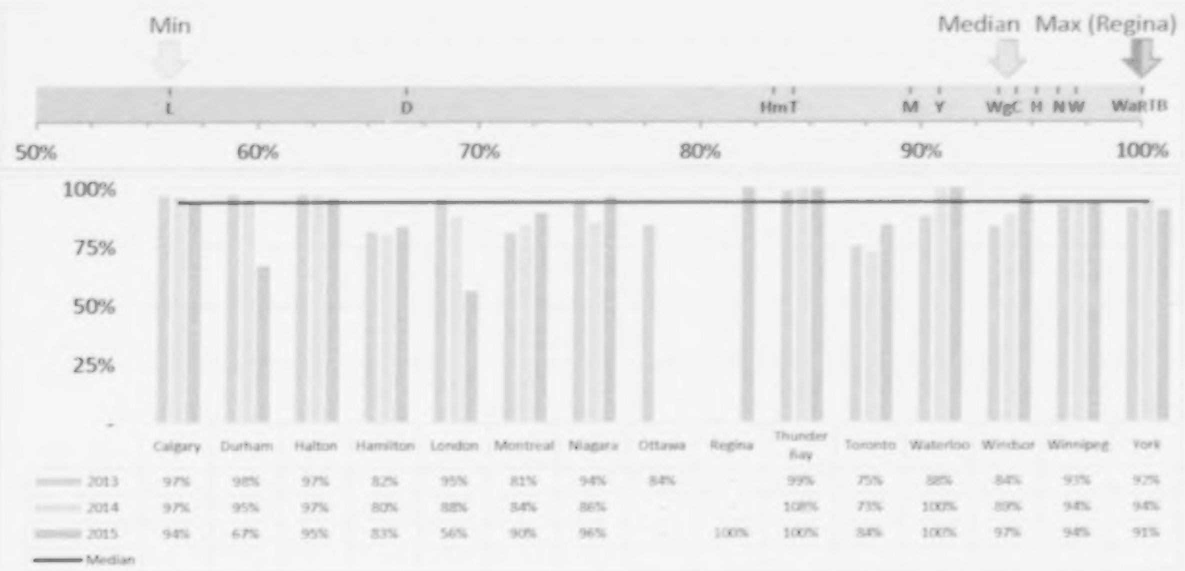
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$1,094	$525	$1,556	$990	$612	$209	$636	$809	-	$444	$596	$2,151	$794	-	$1,005
2014	$1,345	$525	$1,679	$990	$687	$167	$654	-	-	$459	$684	$1,975	$915	-	$1,100
2015	$1,474	$862	$1,426	$922	$503	$156	$798	-	$1,629	$408	$639	$713	$728	-	$1,173
Median															

Percent of Regular Formal Freedom of Information Requests Handled Within 30 Days



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	80%	90%	97%	78%	88%	78%	93%	73%	-	100%	74%	58%	82%	92%	81%
2014	72%	95%	94%	79%	87%	82%	85%	-	-	94%	72%	67%	88%	89%	93%
2015	72%	67%	95%	83%	56%	87%	77%	-	84%	76%	82%	88%	91%	93%	88%
Median															

Percent of Regular Formal Freedom of Information Requests, Extensions and 3rd Party Notices Handled Within Legislated Timelines



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	97%	98%	97%	82%	95%	81%	94%	84%	-	99%	75%	88%	84%	93%	92%
2014	97%	95%	97%	80%	88%	84%	86%	-	-	100%	73%	100%	89%	94%	94%
2015	94%	67%	95%	83%	56%	90%	96%	-	100%	100%	84%	100%	97%	94%	91%

Facilities

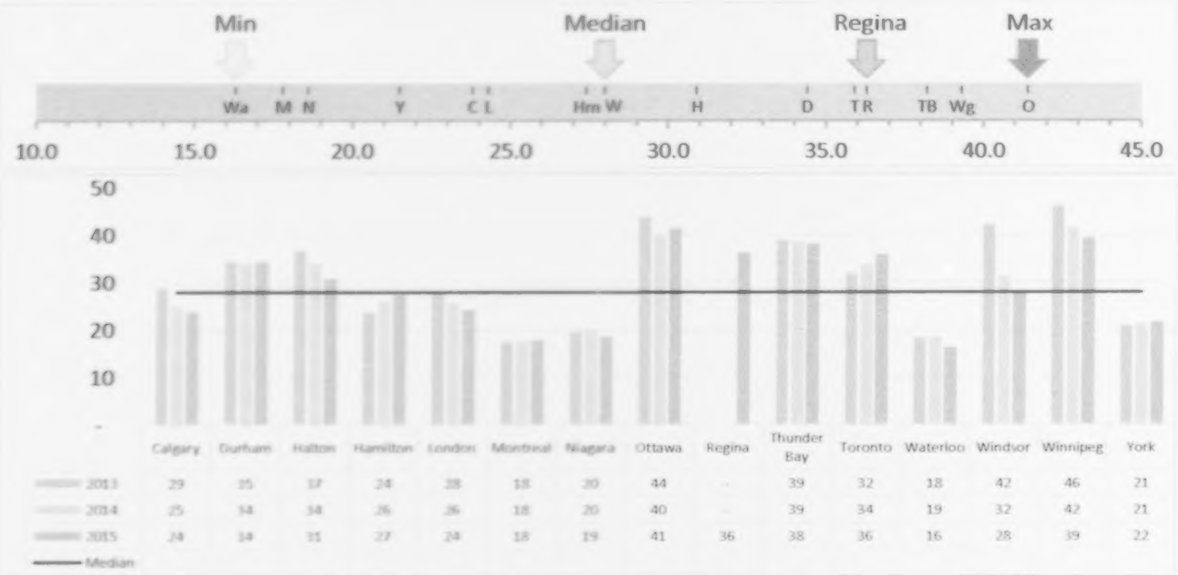
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Facilities Service, keep in mind the following influencing factors:

- **Organizational Form:** The extent to which facilities management services are centralized or decentralized in each municipality can influence reported results.
- **Building Stock:** There is a wide variety of buildings/facilities in each municipality with different sizes, ages, and use profiles that can yield very different cost per square feet indicators. This measure could be calculated separately by building type, if more specific accurate data is required.
- **Capital:** The accounting policy/dollar threshold for capital expenditures impacts the types of maintenance activities included in operating costs.

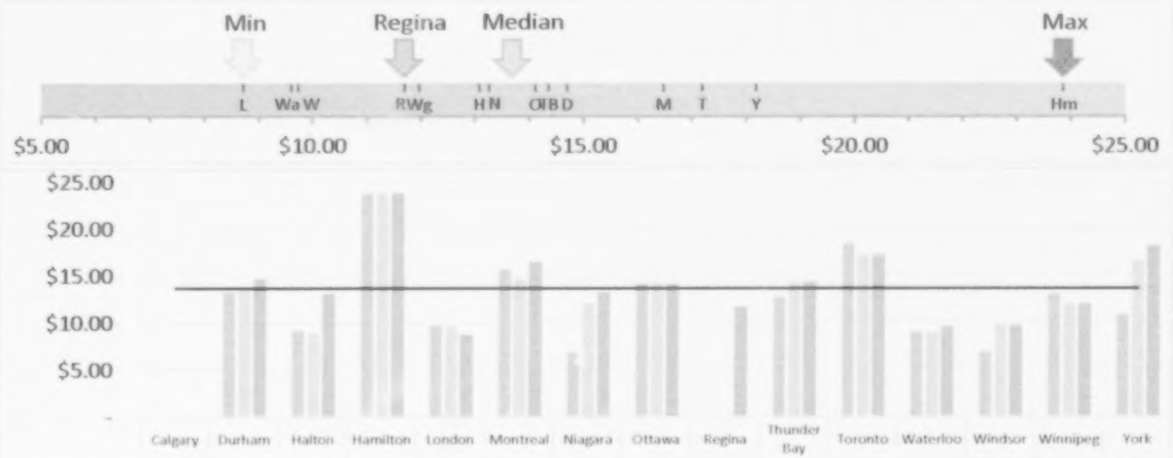
Results

Total Equivalent kWh Energy Consumption for Headquarters (HQ) per Square Foot of HQ Building



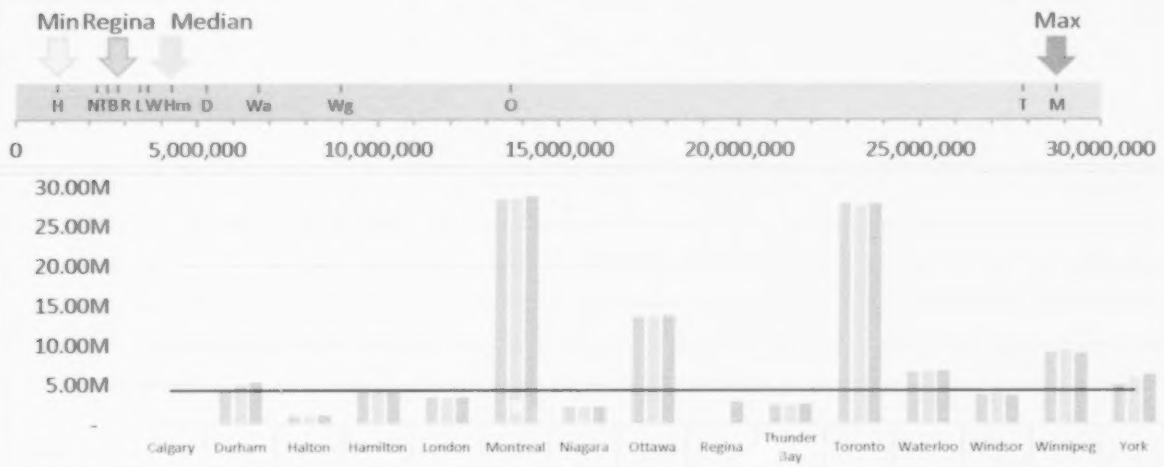
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	29	35	37	24	28	18	20	44	-	39	32	18	42	46	21
2014	25	34	34	26	26	18	20	40	-	39	34	19	32	42	21
2015	24	34	31	27	24	18	19	41	36	38	36	16	28	39	22

Total Cost of Facility Operations for Headquarter Building (HQ) per Square Foot of HQ Building (including amortization)



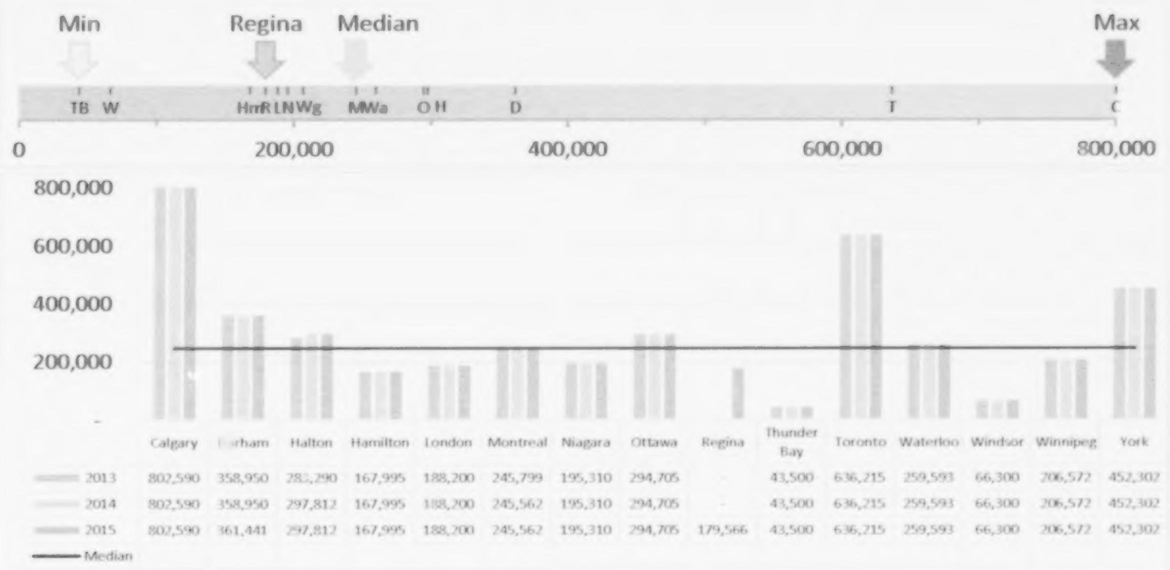
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	-	$13.33	$9.17	$23.87	$9.72	$15.74	$6.89	$14.20	-	$12.74	$18.51	$9.08	$6.94	$13.11	$10.94
2014	-	$13.72	$8.88	$23.87	$9.62	$14.72	$12.10	$14.33	-	$14.38	$17.25	$8.98	$9.91	$12.02	$16.67
2015	-	$14.69	$13.07	$23.86	$8.72	$16.47	$13.25	$14.11	$11.69	$14.35	$17.19	$9.60	$9.73	$11.96	$18.18
Median															

Gross Square Footage of all Buildings Owned and Leased by Municipality



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	-	4.11M	1.13M	4.15M	3.37M	28.40M	2.20M	13.58M	-	2.49M	28.00M	6.64M	3.77M	9.13M	5.00M
2014	-	5.09M	1.13M	4.23M	3.41M	28.52M	2.20M	13.65M	-	2.50M	27.67M	6.70M	3.89M	9.40M	5.91M
2015	-	5.25M	1.15M	4.29M	3.41M	28.78M	2.23M	13.67M	2.81M	2.52M	27.85M	6.70M	3.63M	8.96M	6.20M
Median															

Gross Square Feet of Headquarters Building



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	802,590	358,950	283,290	167,995	188,200	245,799	195,310	294,705	-	43,500	636,215	259,593	66,300	206,572	452,302
2014	802,590	358,950	297,812	167,995	188,200	245,562	195,310	294,705	-	43,500	636,215	259,593	66,300	206,572	452,302
2015	802,590	361,441	297,812	167,995	188,200	245,562	195,310	294,705	179,566	43,500	636,215	259,593	66,300	206,572	452,302

Fleet

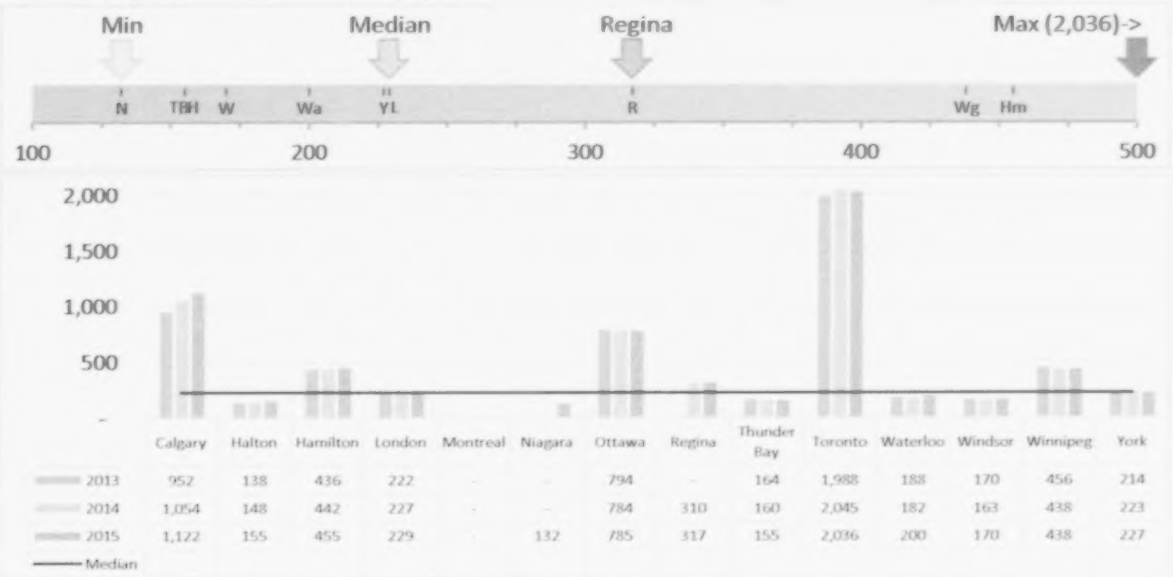
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Fleet Service, keep in mind the following influencing factors:

- **Costs Basis:** Differences in what is being captured in the cost of the vehicle for initial purchase-conversion costs, equipment costs, make ready conversion costs and whether they are capitalized or not.
- **Fleet Mix and Usage:** Each municipality's fleet, the number of vehicles in each class and their usage will affect the costs, i.e. light vehicles will incur less cost than heavy, etc. Inclusion of transit vehicles (Ottawa and Sudbury only) could lead to high overall costs. The average age of each municipality's fleet, number of hours used, the use of various vehicles (pure City use vs. highway use) and the environment in which it is used will affect the amount required to be spent in maintenance.
- **Organizational Form:** Some fleet groups are centralized, i.e. responsible for all fleet costs; and others are decentralized, i.e. other departments pick-up some of the fleet costs.
- **Policy and Processes:** Some municipalities get chargebacks for all costs and others do not get charged back for such things as facilities, purchasing, IT, HR, etc.

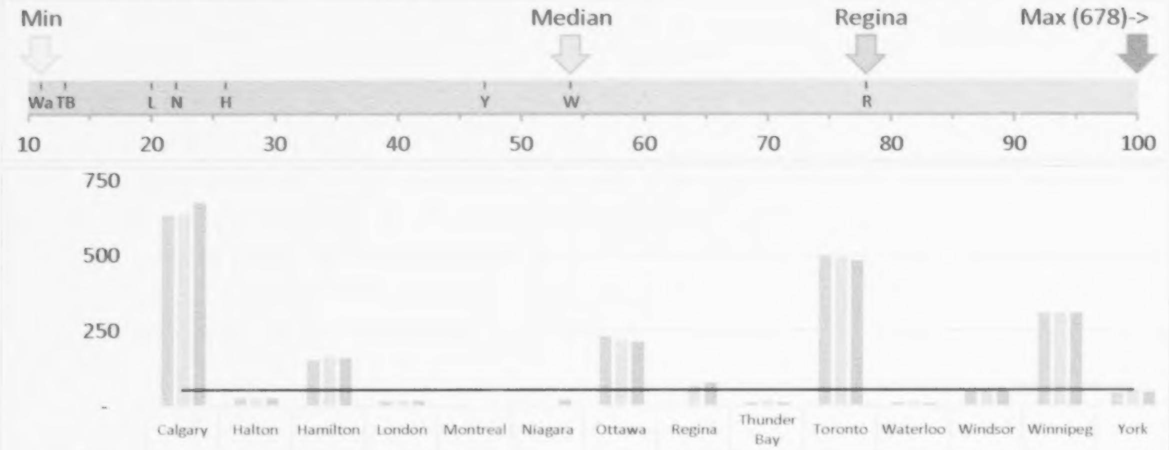
Results

Number of Light Vehicles – Municipal Equipment



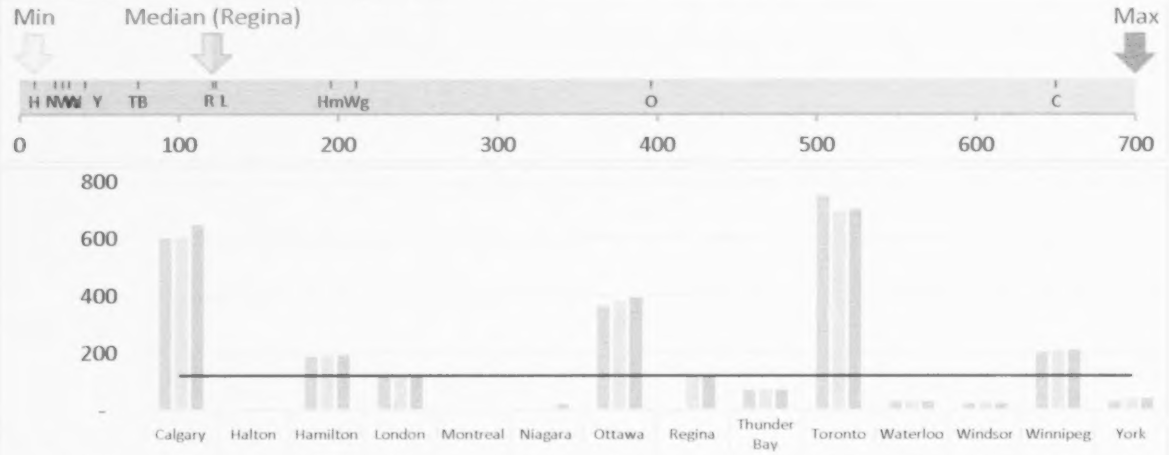
	Calgary	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	952	138	436	222	-	-	794	-	164	1,988	188	170	456	214
2014	1,054	148	442	227	-	-	784	310	160	2,045	182	163	438	223
2015	1,122	155	455	229	-	132	785	317	155	2,036	200	170	438	227

Number of Medium Vehicles – Municipal Equipment



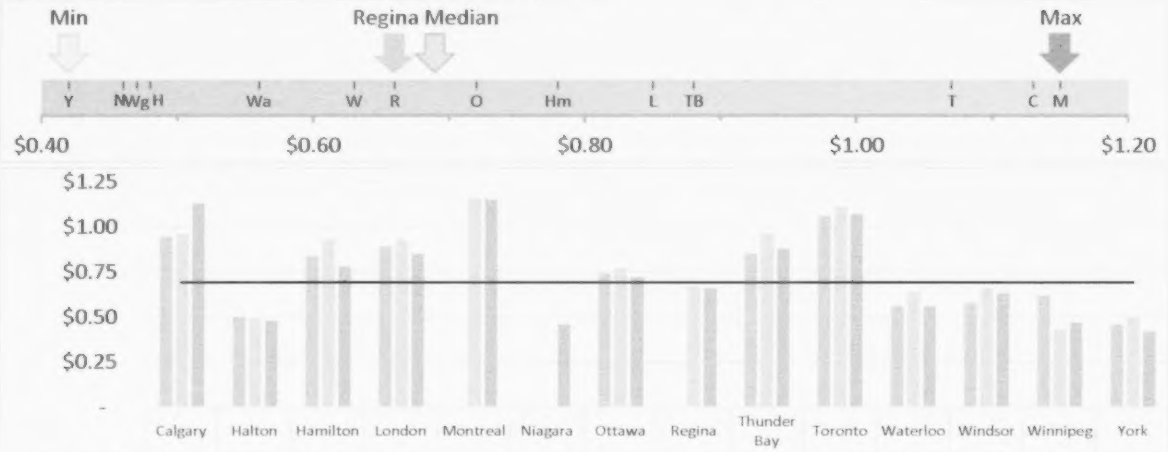
	Calgary	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	636	27	154	17	-	-	232	-	13	499	12	56	309	44
2014	641	29	166	18	-	-	218	67	20	492	12	58	310	51
2015	678	26	161	20	-	22	213	78	13	484	11	54	310	47
Median														

Number of Heavy Vehicles – Municipal Equipment



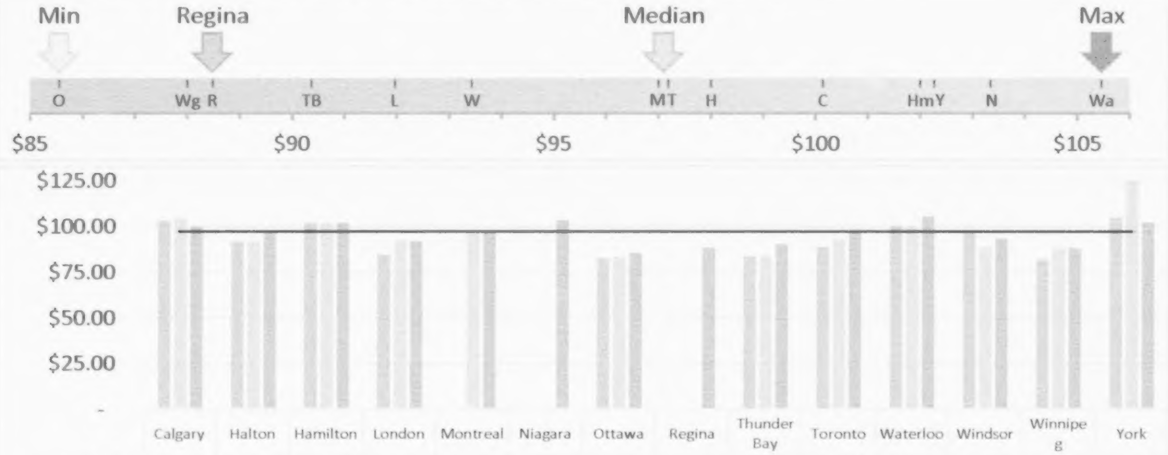
	Calgary	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	603	6	189	124	-	-	365	-	72	752	31	27	204	31
2014	607	7	192	123	-	-	380	122	74	696	33	30	211	41
2015	650	9	195	123	-	22	396	121	74	705	31	27	211	41
Median														

Operating Cost Per Vehicle Kilometer (Municipal Equipment)



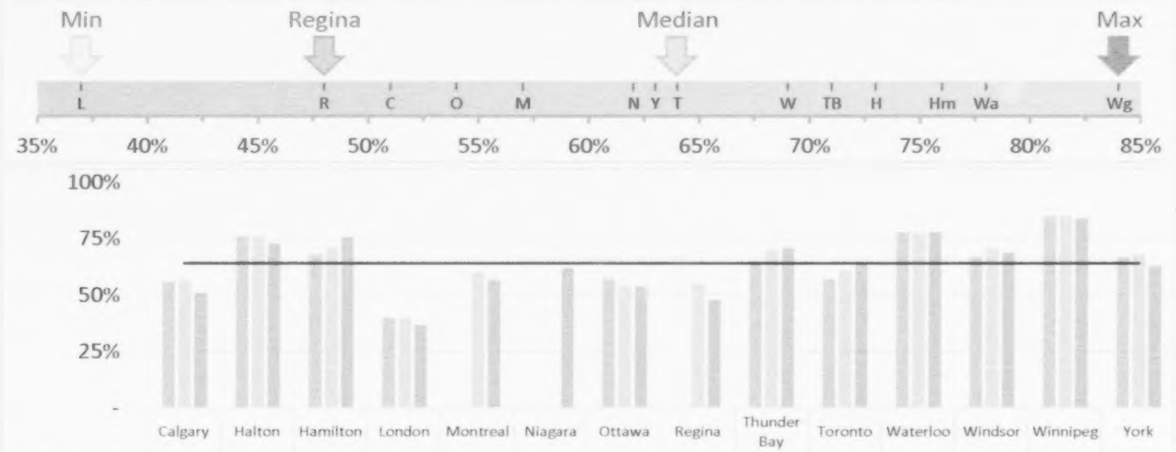
	Calgary	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$0.95	$0.50	$0.84	$0.89	-	-	$0.74	-	$0.85	$1.06	$0.56	$0.58	$0.62	$0.46
2014	$0.96	$0.49	$0.93	$0.93	$1.16	-	$0.77	$0.67	$0.96	$1.11	$0.64	$0.66	$0.43	$0.50
2015	$1.13	$0.48	$0.78	$0.85	$1.15	$0.46	$0.72	$0.66	$0.88	$1.07	$0.56	$0.63	$0.47	$0.42
Median														

CAMFM Door Rate – In-House Shop Rate for Vehicle Maintenance, Repairs, etc.



	Calgary	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$103.00	$91.91	$102.00	$84.65	-	-	$82.73	-	$83.97	$88.60	$100.28	$97.32	$82.00	$104.88
2014	$104.73	$92.05	$102.00	$92.64	$97.00	-	$83.49	-	$83.92	$92.94	$99.89	$88.40	$88.00	$133.45
2015	$100.14	$98.00	$102.00	$91.96	$97.00	$103.35	$85.55	$88.48	$90.37	$97.19	$105.46	$93.43	$88.00	$102.27
Median														

Service Request Rate – Percent of non Planned or Preventative Maintenance Work Order Hours



	Calgary	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	56%	76%	68%	40%	-	-	57%	-	65%	57%	78%	67%	85%	67%
2014	57%	76%	71%	40%	60%	-	54%	55%	70%	61%	78%	71%	85%	68%
2015	51%	73%	76%	37%	57%	62%	54%	48%	71%	64%	78%	69%	84%	63%
Median														

Human Resources

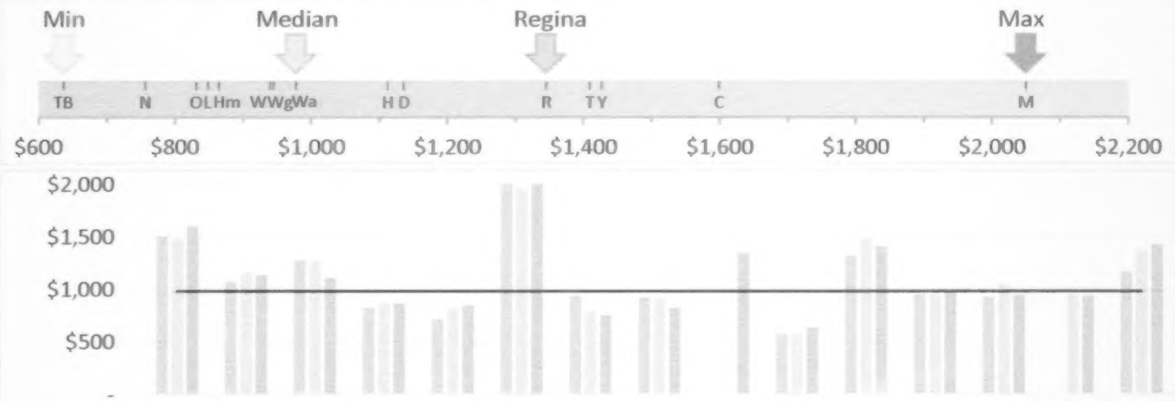
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Human Resources Service, keep in mind the following influencing factors:

- **Degree of Unionization**: Labour relations and collective agreements directly impact the need for specialized Human Resources staff.
- **Organizational Form:** The delivery of Human Resources (HR) service varies from one municipality to another.
- **Staffing of Services:** In some service areas, such as Parks and Recreation, a significant number of seasonal and part-time staff is required. As a result, these service areas tend to have higher turnover rates, which result in providing a higher level of service and directly impacts Human Resources costs.

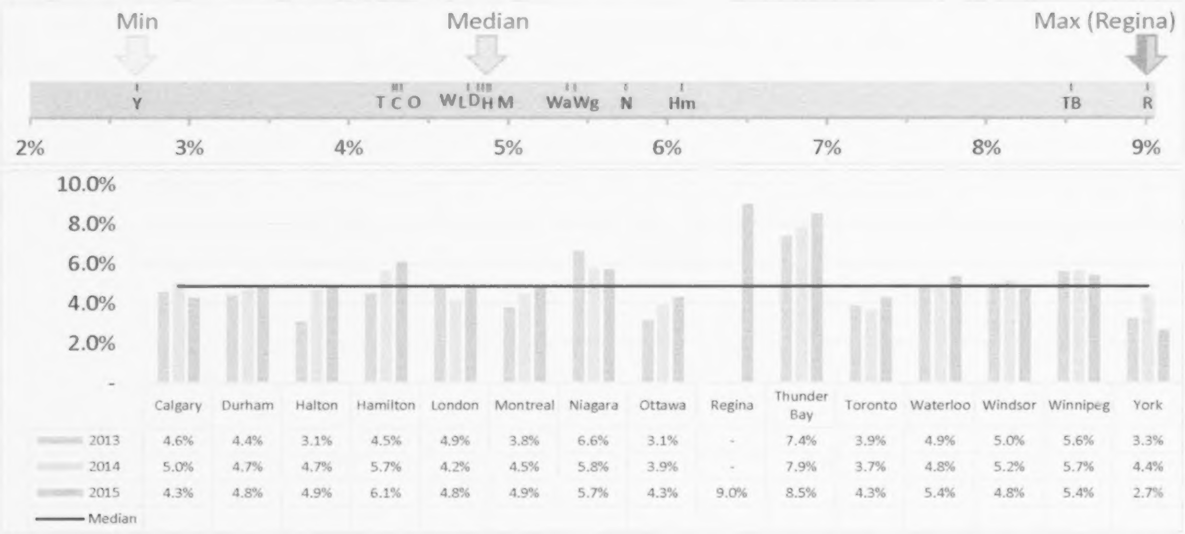
Results

Total Cost for Human Resources Administration per T4 Supported



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
▬ 2013	$1,507	$1,072	$1,275	$830	$716	$2,116	$940	$924	-	$573	$1,319	$952	$932	-	$1,170
▬ 2014	$1,489	$1,152	$1,265	$864	$823	$1,961	$785	$913	-	$577	$1,484	$952	$1,052	$948	$1,365
▬ 2015	$1,599	$1,136	$1,112	$864	$848	$2,050	$756	$831	$1,345	$636	$1,409	$978	$944	$939	$1,427
── Median															

Overall Permanent Voluntary Employee Turnover



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	4.6%	4.4%	3.1%	4.5%	4.9%	3.8%	6.6%	3.1%	-	7.4%	3.9%	4.9%	5.0%	5.6%	3.3%
2014	5.0%	4.7%	4.7%	5.7%	4.2%	4.5%	5.8%	3.9%	-	7.9%	3.7%	4.8%	5.2%	5.7%	4.4%
2015	4.3%	4.8%	4.9%	6.1%	4.8%	4.9%	5.7%	4.3%	9.0%	8.5%	4.3%	5.4%	4.8%	5.4%	2.7%
Median															

Information Technology

Influencing Factors

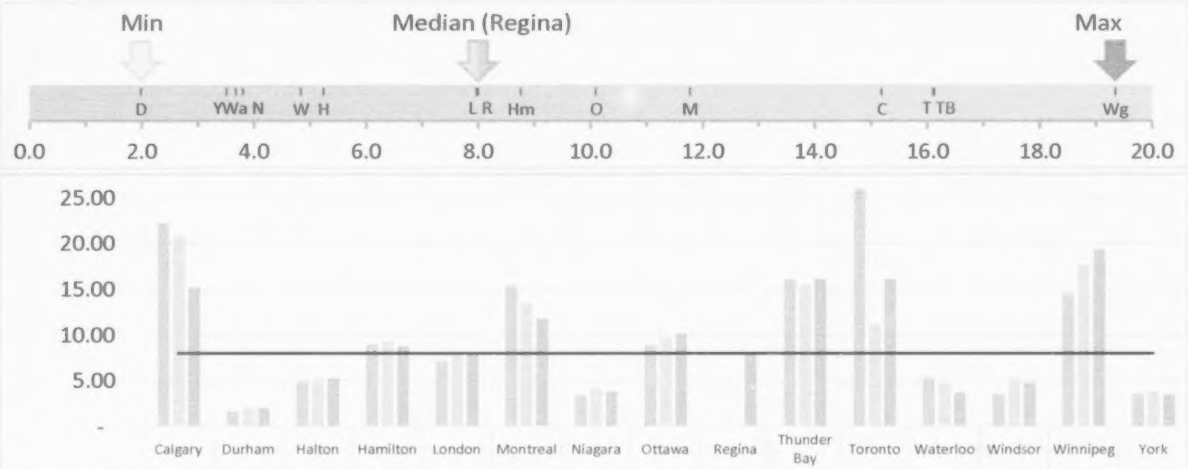
Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Information Technology Service, keep in mind the following influencing factors:

- **Devices:** The device numbers and types could be influenced by the types of services provided and or organizational culture.
- **IT Services:** The type of IT services provided may vary from one municipality to another, i.e. does IT include GIS, Telecommunications, etc.
- **Organizational Form:** The extent to which IT services are centralized or decentralized can influence reported results, i.e. services may also be contracted out, directly impacting FTE levels.
- **Processes & Systems:** Database systems used could impact reporting capabilities.
- **Government Structure:** Different tiers of municipal government, i.e. single-tier or upper-tier, and the specific service each one offers will affect results

Additional Information: Cost measure results may vary from previous years and between municipalities that are able to obtain the full costs of decentralized IT goods and services. Decentralized goods and services refer to IT costs that are outside of the IT department's budget. Total IT Costs = IT Operating Costs + Amortization.

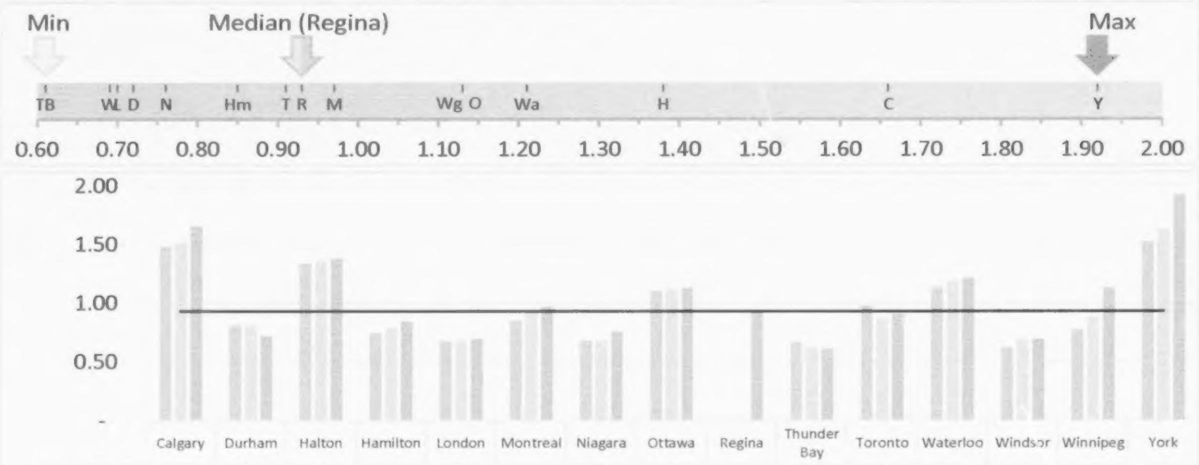
Results

Number of Visits to Municipal Website per Capita



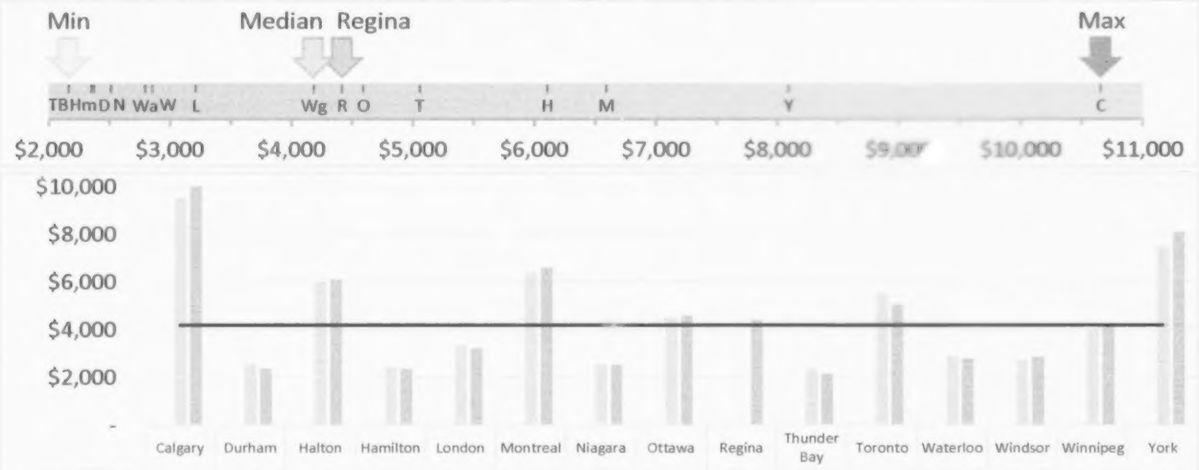
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	22.25	1.62	4.94	9.01	7.16	15.35	3.43	8.83	-	16.02	25.93	5.31	3.56	14.54	3.55
2014	20.85	1.95	4.91	9.36	7.85	13.42	4.08	9.74	-	15.48	11.13	4.73	5.15	17.62	3.76
2015	15.19	1.99	5.24	8.76	8.00	11.77	3.80	10.10	7.97	16.13	16.10	3.68	4.84	19.35	3.51
Median															

Number of Information Technology Devices per Total Municipal FTE



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	1.48	0.81	1.34	0.75	0.68	0.85	0.68	1.10	-	0.67	0.98	1.13	0.62	0.77	1.52
2014	1.52	0.81	1.36	0.79	0.68	0.92	0.68	1.12	-	0.62	0.86	1.19	0.69	0.88	1.63
2015	1.66	0.72	1.38	0.85	0.70	0.97	0.76	1.13	0.93	0.61	0.91	1.21	0.69	1.13	1.92
Median															

Total Cost for Information Technology per Municipal FTE (includes amortization)



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2014	$9,562	$2,562	$6,033	$2,446	$3,368	$6,388	$2,545	$4,491	-	$2,378	$5,506	$2,891	$2,718	$4,038	$7,502
2015	$10,658	$2,372	$6,105	$2,352	$3,213	$6,592	$2,513	$4,591	$4,419	$2,167	$5,056	$2,795	$2,855	$4,184	$8,094
Median															

Investment Management

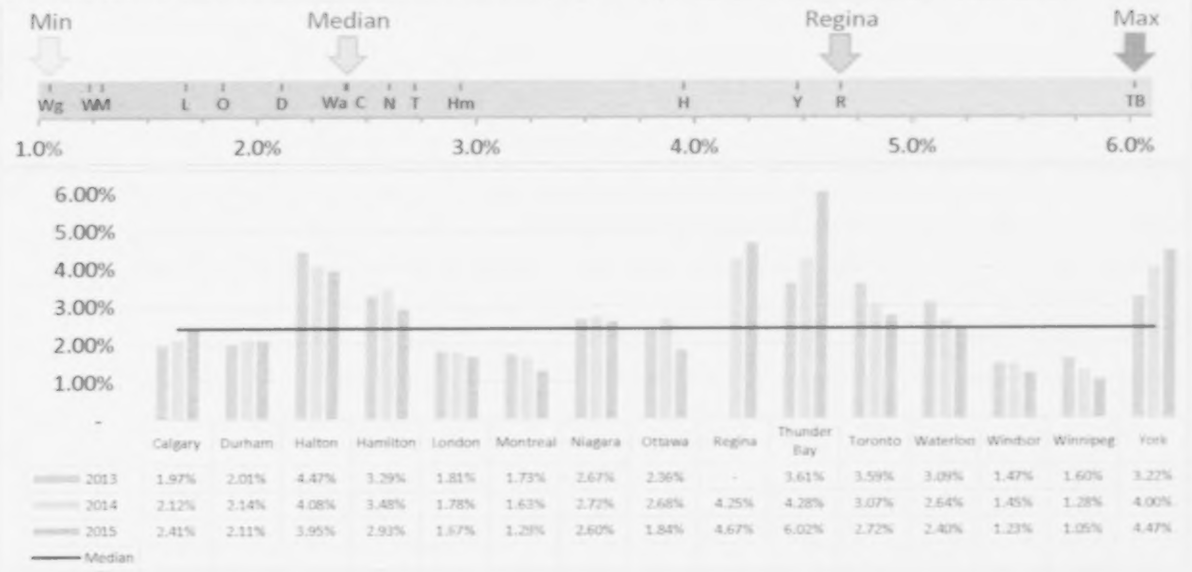
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Investment Management Service, keep in mind the following influencing factors:

- **Legislative investment Policy Constraints**
- **Prevailing Interest Rates and Shape of the Yield Curve**
- **Cash Inflows/Outflows to Portfolio** – is there new cash being added to portfolio or is the size of the portfolio shrinking?
- **Under One Year Cash Requirements** – how much of portfolio has to be kept liquid?
- **Realized Capital Gains/Losses from Trading Activity**
- **Amount of Funds under Investment**
- **Availability of Product**
- **Asset Mix** (Corporate Bonds vs. Government Bonds vs. Equities)
- **Impact of "Marked-to-Market" Return** - includes all aspects of investment income including realized interest and both realized and unrealized capital gains.
- **Operating Expenses** - such as advisor fees, fees paid to external investment managers, custody, and legal and accounting fees and trading costs/commissions.
- **Administrative Expenses** - incurred to administer the portfolio, including staff time (monitoring, performance reporting, and reconciliation), technology expenses such as Bloomberg, annual and semi-annual report production, and other general expenses.
- **Strategies Employed** – active versus passive, fixed income versus balanced
- **Type of Investment Management** – investment managers, brokers
- **Internal Costs** – staffing, technology, general expenses
- **Professional Services Utilized** – advisors, accountants, and lawyers
- **Investment Policy Constraints**
    a) Policy objectives - do they focus on capital preservation, liquidity needs or market returns?
    b) Does the policy dictate term restrictions - by credit or for the overall portfolio?
    c) Does the policy allow for active management or does it restrict selling at a capital loss (which might limit a portfolio manager's propensity to take on risk)?
- **Internal Constraints**
    a) What are risk tolerances of management and/or /Council?
    b) What resources are there available to help manage the investment portfolio (i.e. staffing, systems, information sources, internal controls, etc.) ?
    c) Are there adequate internal controls and monitoring systems in place to oversee investment activities?
- **Municipal-specific Needs**
    a) Reserve availability (operating and capital) and their obligations - how much money is on hand and how long is it available for? How reliable is the cash flow analysis and how often is it updated?
    b) Has the municipality instituted a capital asset replacement strategy and determined the impact on the investment horizon of the portfolio?
    c) What is the debt profile of the municipality? How does the reserve and/or investment strategy impact the municipality's borrowing program?

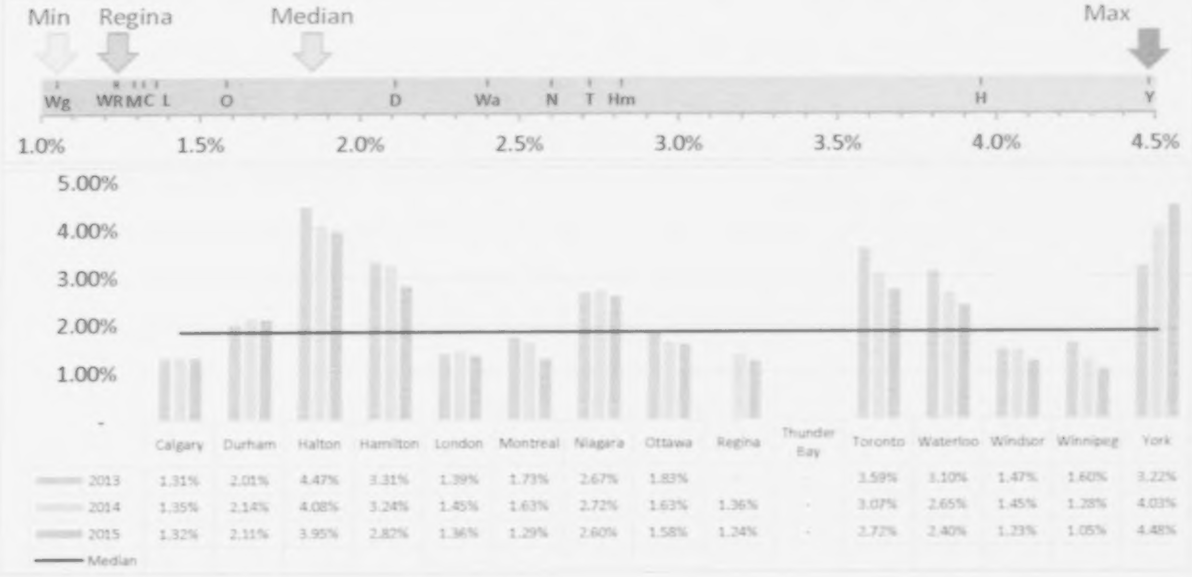
Results

Gross Percent Realized Return on the Total Investment Portfolio (based on Average Adjusted Book Value)



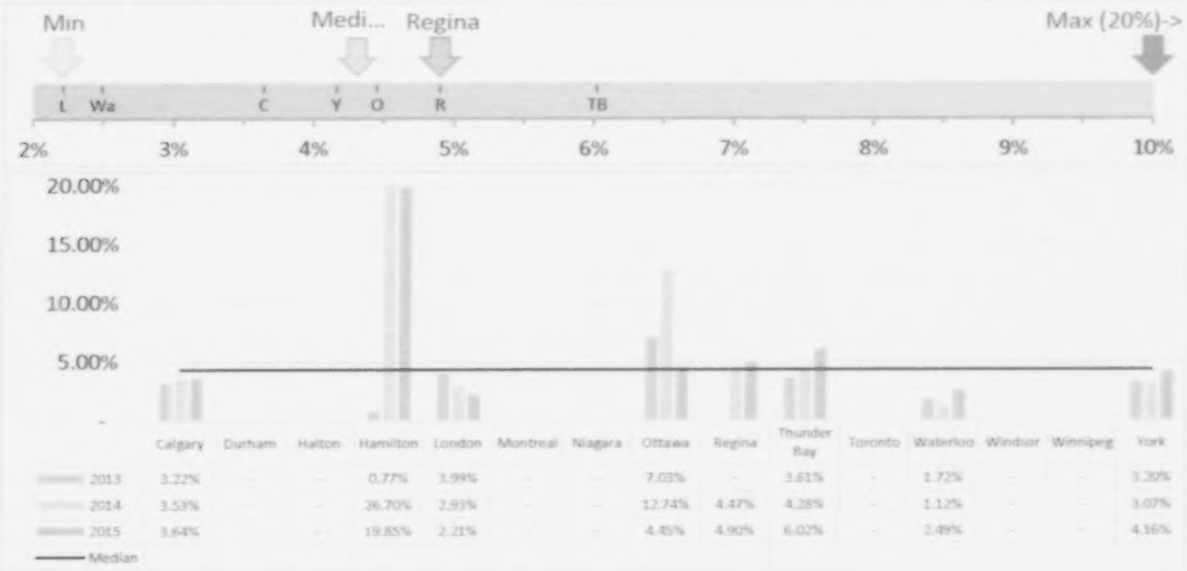
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	1.97%	2.01%	4.47%	3.29%	1.81%	1.73%	2.67%	2.36%	-	3.61%	3.59%	3.09%	1.47%	1.60%	3.22%
2014	2.12%	2.14%	4.08%	3.48%	1.78%	1.63%	2.72%	2.68%	4.25%	4.28%	3.07%	2.64%	1.45%	1.28%	4.00%
2015	2.41%	2.11%	3.95%	2.93%	1.67%	1.29%	2.60%	1.84%	4.67%	6.02%	2.72%	2.40%	1.23%	1.05%	4.47%

Gross Percent Realized Return on the total Internally Managed Investment Portfolio (based on Average Adjusted Book Value)



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	1.31%	2.01%	4.47%	3.31%	1.39%	1.73%	2.67%	1.83%		-	3.59%	3.10%	1.47%	1.60%	3.22%
2014	1.35%	2.14%	4.08%	3.24%	1.45%	1.63%	2.72%	1.63%	1.36%	-	3.07%	2.65%	1.45%	1.28%	4.03%
2015	1.32%	2.11%	3.95%	2.82%	1.36%	1.29%	2.60%	1.58%	1.24%	-	2.72%	2.40%	1.23%	1.05%	4.48%

Gross Percent Realized Return on the total Externally Managed Investment Portfolio (based on Average Adjusted Book Value)



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	3.22%	-	-	0.77%	3.99%	-	-	7.03%	-	3.61%	-	1.72%	-	-	3.20%
2014	3.53%	-	-	26.70%	2.93%	-	-	12.74%	4.47%	4.28%	-	1.12%	-	-	3.07%
2015	3.64%		-	19.85%	2.21%	-	-	4.45%	4.90%	6.02%	-	2.49%	-	-	4.16%

Legal

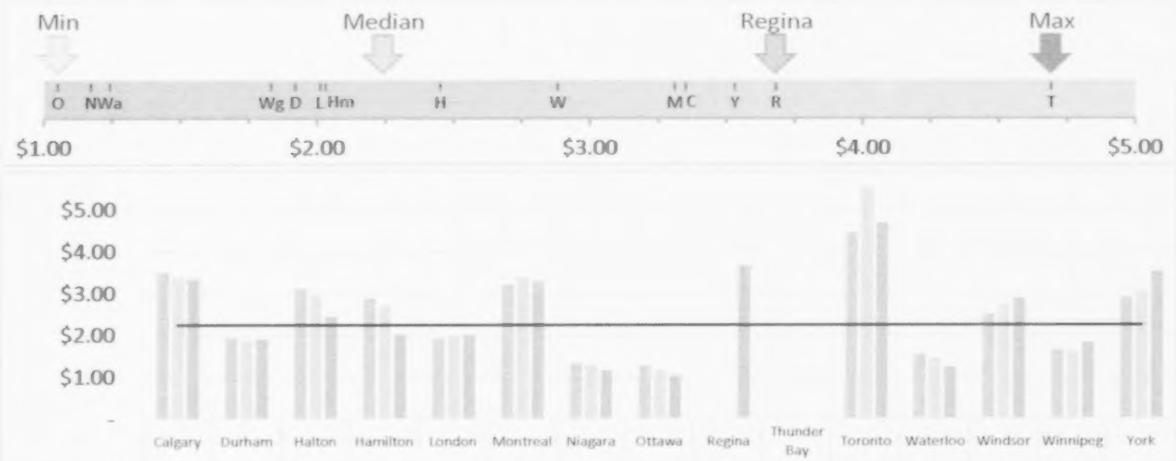
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Legal Service, keep in mind the following influencing factors:

- **Organization Form:** Determines whether all legal costs are controlled centrally. Also, mix of external vs. in-house lawyer, and ratio of non-lawyer staff to lawyer staff affects the cost per lawyer hour.
- **Demand Drivers:** The demand for specific types of legal services differ from municipality to municipality and/or from year to year. For example, the increased Ontario Municipal Board hearing activity associated with the reviews of municipal comprehensive zoning by-laws and official plans will impact hours worked and costs associated with in-house and/or external lawyers. Other demand drivers include one-of-a-kind or significant litigation, contracts, projects and the collective bargaining process. The respective Council's philosophies on the cost-benefit of settling claims at different stages of litigation will impact results and level of insurance deductible.
- **Municipal Services Provided:** Different services can demand varying levels of legal support. Upper Tier and single tier municipalities provide different municipal services.
- **Reimbursement of Legal Fees Indemnification By-Laws:** These are handled differently by municipalities, which will impact the cost of providing Legal services.
- **Council Policy/Direction:** Council policy or direction on budgets, tax rates, collective bargaining, etc. will impact total municipal spending, which in turn will impact the reported total municipal operating expenditures. This can cause fluctuations in year-over-year results, despite stability in total legal in-house costs.

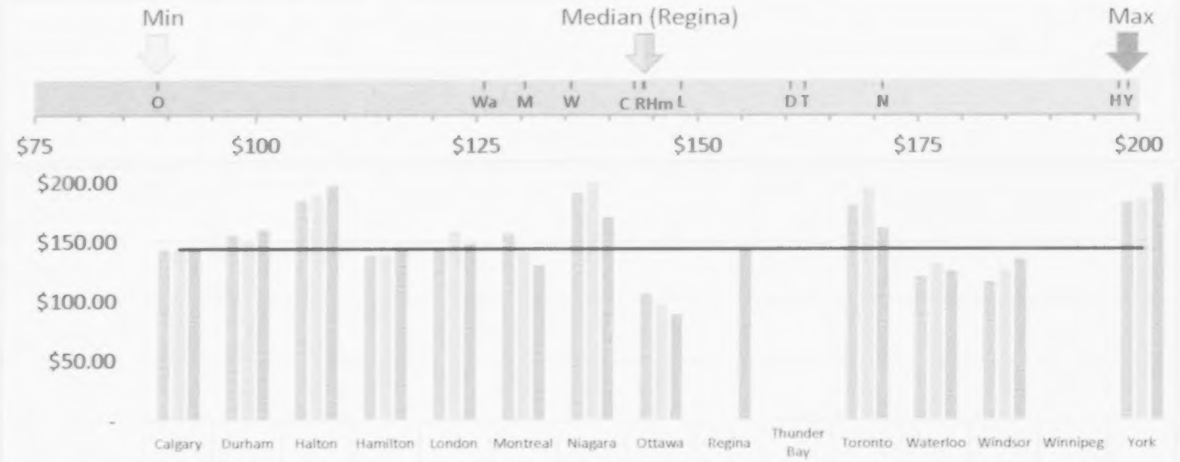
Results

In-House Legal Operating Cost per $1,000 Municipal Operating and Capital Expenditure



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$3.51	$1.93	$3.12	$2.88	$1.93	$3.21	$1.34	$1.27	-	-	$4.45	$1.55	$2.50	$1.66	$2.90
2014	$3.37	$1.88	$2.95	$2.71	$2.00	$3.38	$1.28	$1.18	-	-	$5.53	$1.45	$2.73	$1.59	$3.07
2015	$3.35	$1.92	$2.45	$2.03	$2.01	$3.31	$1.17	$1.05	$3.68	-	$4.69	$1.24	$2.88	$1.83	$3.53
Median															

In-House Legal Operating Cost per In-House Lawyer Hour



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$144.31	$155.77	$185.42	$138.95	$143.56	$156.94	$191.72	$106.81	-	-	$181.14	$121.09	$116.78	-	$183.45
2014	$142.71	$150.93	$189.42	$139.88	$159.07	$141.13	$202.35	$97.00		-	$194.87	$132.20	$126.73	-	$185.83
2015	$142.79	$160.53	$197.77	$143.79	$148.15	$130.41	$170.94	$88.87	$144.03		$162.15	$125.85	$135.64	-	$198.81
Median															

Parking

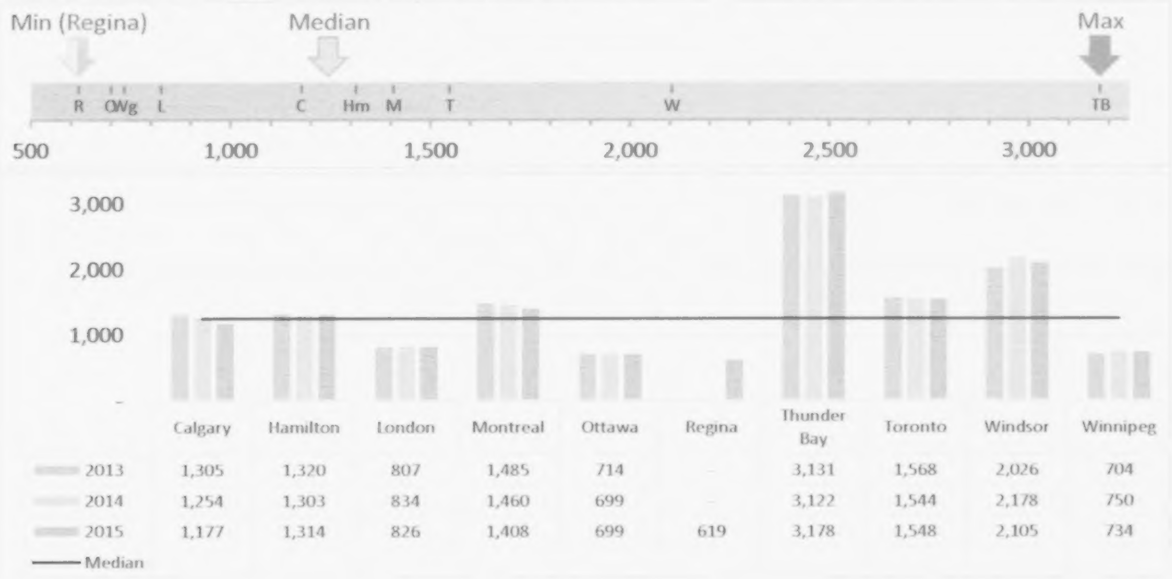
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Parking Service, keep in mind the following influencing factors:

- **Location:** Cross border traffic, proximity to the GTA and location of public parking relative to retail/commercial/entertainment facilities.
- **Operating Standards and Policies:** Cost recovery policies, service hours (24/7 availability, or restricted access) maintenance standards (for line painting, lighting replacement, garbage collection, etc.).
- **Processes and Systems:** The type and quality of technology used to manage operations and enforcement, i.e. handheld devices vs. written; ticket management systems; meters vs. pay and display machines, level of automation at parking surface lots vs. parking garage structures.
- **Service Delivery Model:** The level of automation at parking lots; staff vs. contracted attendants, mix of on-street and off-street parking spaces.
- **Structural Issues:** The use of parking structures/garages in a parking portfolio vs. surface lots, age of facilities/equipment.
- **Utilization Levels:** The use of variable-rate pricing structures, the availability of public transit/public transit utilization rate and the proximity of parking alternatives (free public parking, private lots) will impact utilization levels.

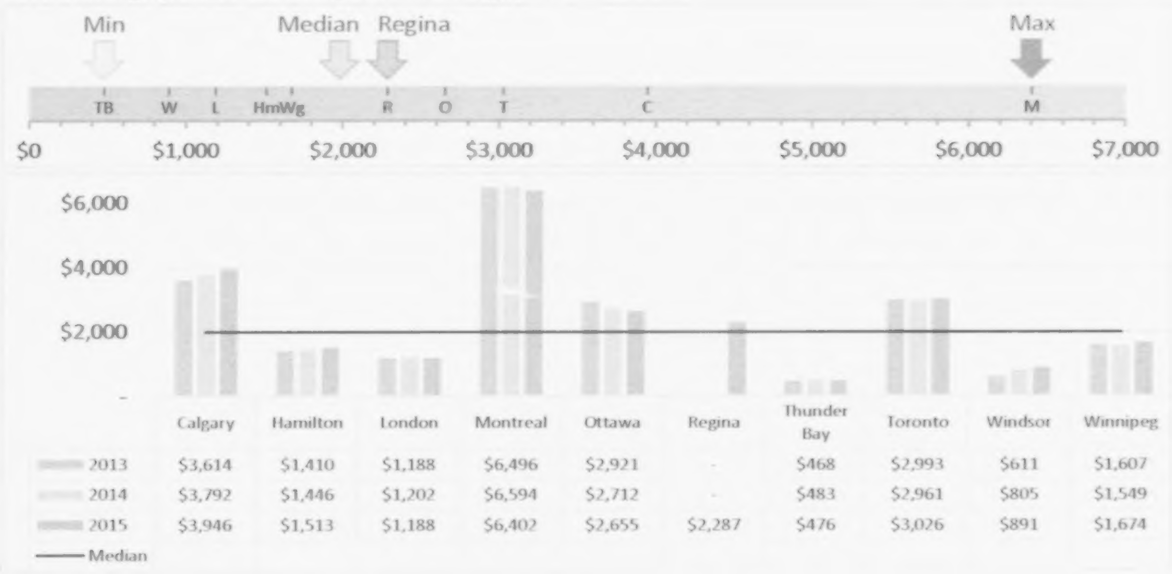
Results

Number of Paid Parking Spaces Managed per 100,000 Population



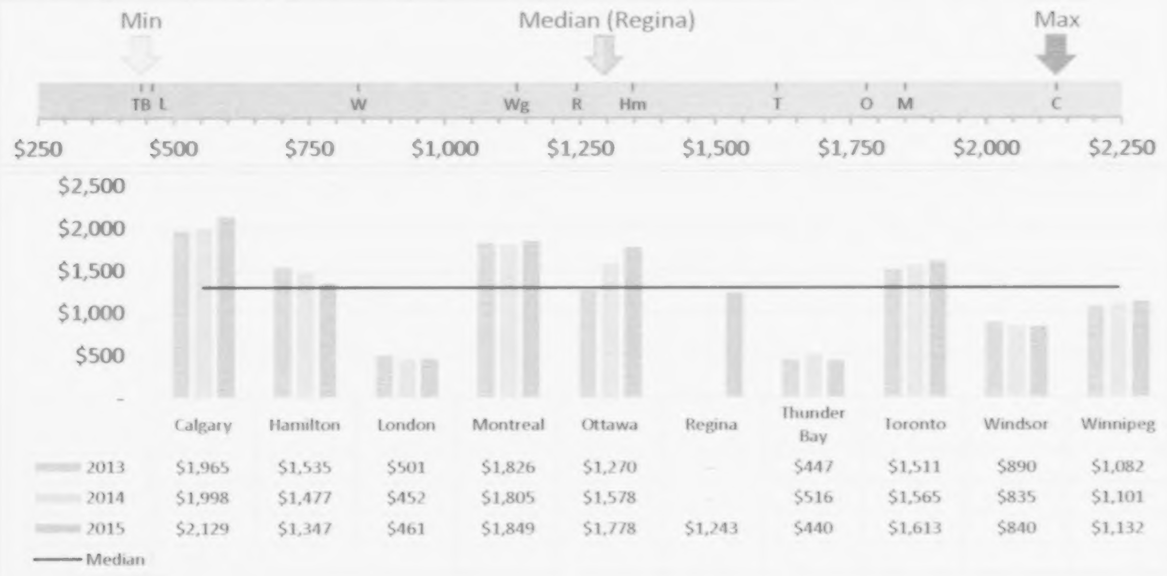
	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	1,305	1,320	807	1,485	714	-	3,131	1,568	2,026	704
2014	1,254	1,303	834	1,460	699	-	3,122	1,544	2,178	750
2015	1,177	1,314	826	1,408	699	619	3,178	1,548	2,105	734

Gross Parking Revenue Collected per Paid Parking Space



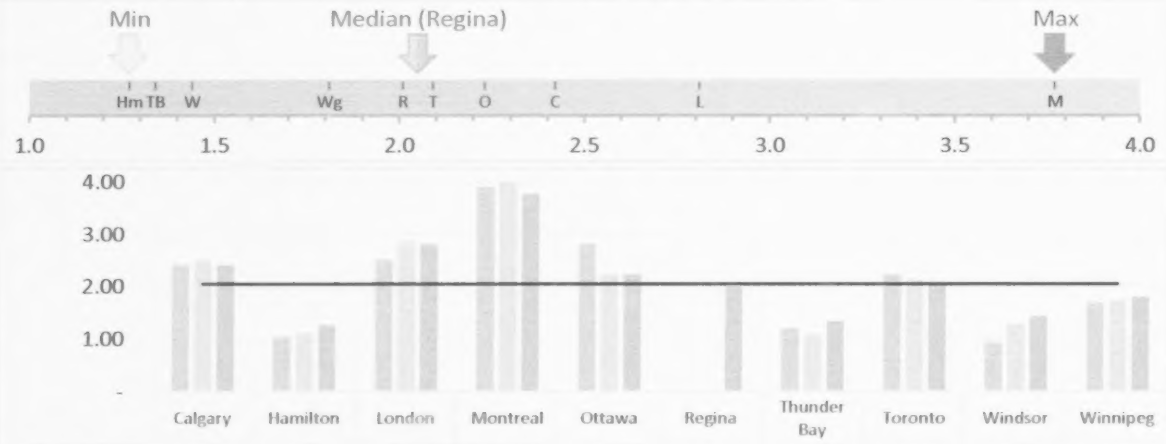
	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	$3,614	$1,410	$1,188	$6,496	$2,921	-	$468	$2,993	$611	$1,607
2014	$3,792	$1,446	$1,202	$6,594	$2,712	-	$483	$2,961	$805	$1,549
2015	$3,946	$1,513	$1,188	$6,402	$2,655	$2,287	$476	$3,026	$891	$1,674

Total Cost per Paid Parking Space Managed (includes amortization)



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	$1,965	$1,535	$501	$1,826	$1,270	-	$447	$1,511	$890	$1,082
2014	$1,998	$1,477	$452	$1,805	$1,578	-	$516	$1,565	$835	$1,101
2015	$2,129	$1,347	$461	$1,849	$1,778	$1,243	$440	$1,613	$840	$1,132

Revenue to Cost Ratio (RC Ratio): On-Street and Off-Street Parking Spaces



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	2.42	1.04	2.51	3.91	2.82	-	1.21	2.23	0.94	1.69
2014	2.51	1.11	2.86	4.04	2.23	-	1.09	2.12	1.29	1.74
2015	2.42	1.27	2.81	3.77	2.23	2.01	1.34	2.09	1.44	1.81
— Median										

Parks

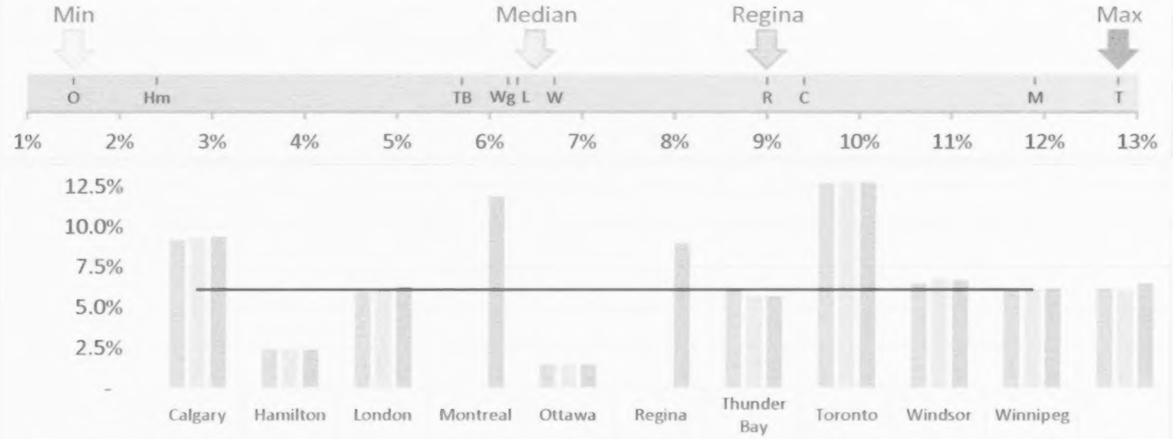
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Parks Service, keep in mind the following influencing factors:

- **Mix of maintained and natural parkland in a municipality** – maintained parks can include a number of amenities and usually involve turf maintenance programs, all of which typically are more costly on a per hectare basis, than the costs of maintaining forests or other natural areas.
- **Service standards established for maintained parkland**- there can be significant differences between municipalities in the amenities available (greenhouses, washrooms, playgrounds, etc.), and the standards to which those parks are maintained (frequency of grass cutting). There can also be differences in the costs of maintaining different classes and types of sports fields.
- **Level of management/maintenance applied to natural areas in parks** (e.g., ecological restoration, community naturalization, trail repair projects)
- **Amount of parkland / trails in municipalities**- limited availability of land in municipalities with a predominantly urban form, it may be more difficult to establish new parks in developed areas and acquire new parkland than it is in municipalities with greater rural areas.
- **Population Density** – areas with high density may be more costly to maintain because of delays to staff traveling from one park to another because of traffic congestion; municipalities with higher densities experience higher usage of parks, resulting in increased costs for litter pick-up, graffiti removal, amenity/equipment repairs, etc.
- **Geography**– varying topography affects the number of hectares, e.g. size of escarpment, number of lakes, transportation networks.
- **Demographics and Community Use** – Community/Resident demand for parks usage has increased in recent years particularly for large, social gatherings and various ethnic activities (i.e. specialty fields, cultural displays, community gardens, dogs-off-leash areas, special events, etc.). While these activities increase parks usage, they also translate into higher maintenance expenses, as well as increased staff training and signage requirements. The operating costs related to these contemporary activities varies across municipalities; these costs are not captured separately
- **Weather Conditions**– affects all municipalities differently, however as we continue to experience more frequent and intense weather changes, operating costs are impacted (i.e. less snowfall means less snow removal , but increased rain could mean more storm clean up costs, longer growing season means more grass cutting.)

Results

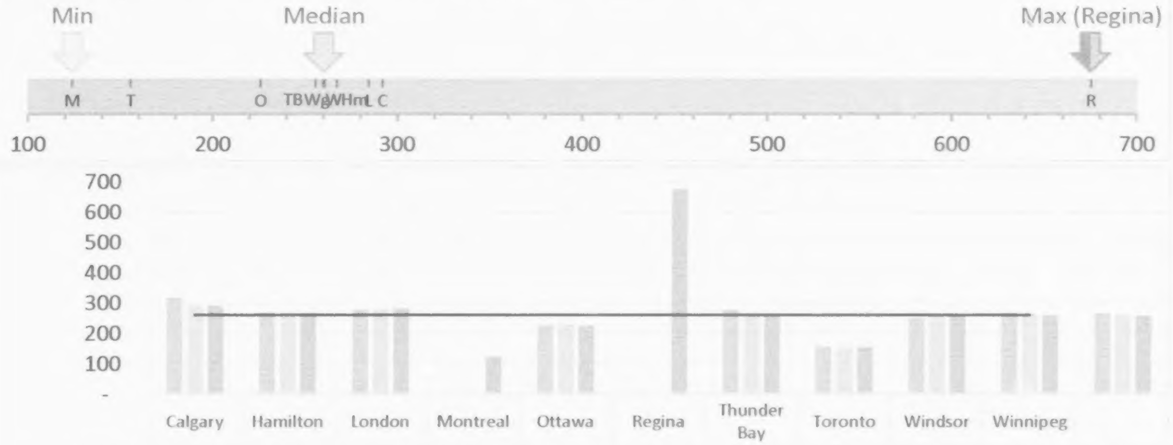
All Parkland in Municipality as a Percent of total area of Municipality*



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg	
2013	9.2%	2.4%	6.0%	-	1.5%	-	6.2%	12.7%	6.5%	6.1%	6.2%
2014	9.3%	2.4%	6.1%	-	1.5%	-	5.7%	12.8%	6.8%	6.1%	6.1%
2015	9.4%	2.4%	6.3%	11.9%	1.5%	9.0%	5.7%	12.8%	6.7%	6.2%	6.5%

** Excludes Wascana Park*

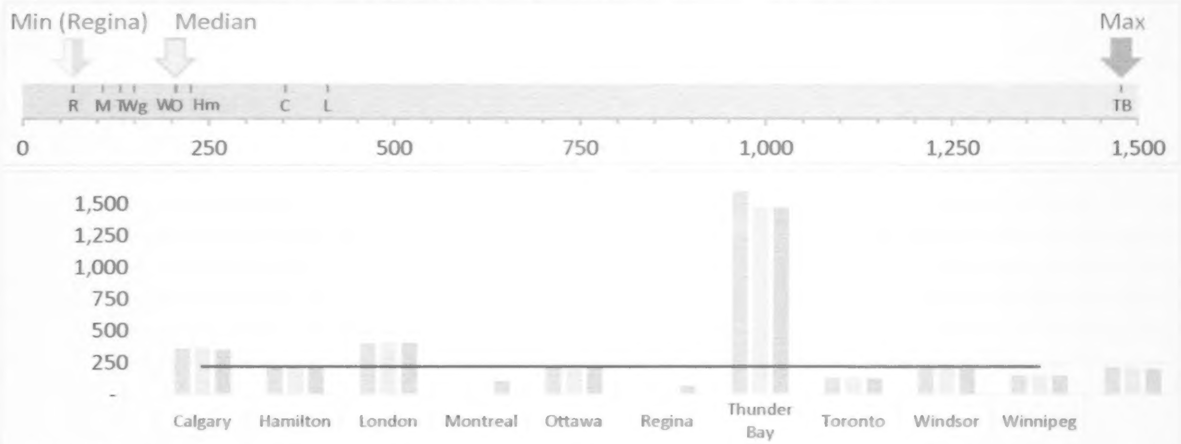
Hectares of Maintained Parkland in Municipality per 100,000 Population*



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg	
2013	319	269	281	-	229	-	278	158	251	267	268
2014	291	268	283	-	230	-	256	156	260	263	261
2015	292	267	285	124	226	675	256	156	260	261	260

** Excludes Wascana Park*

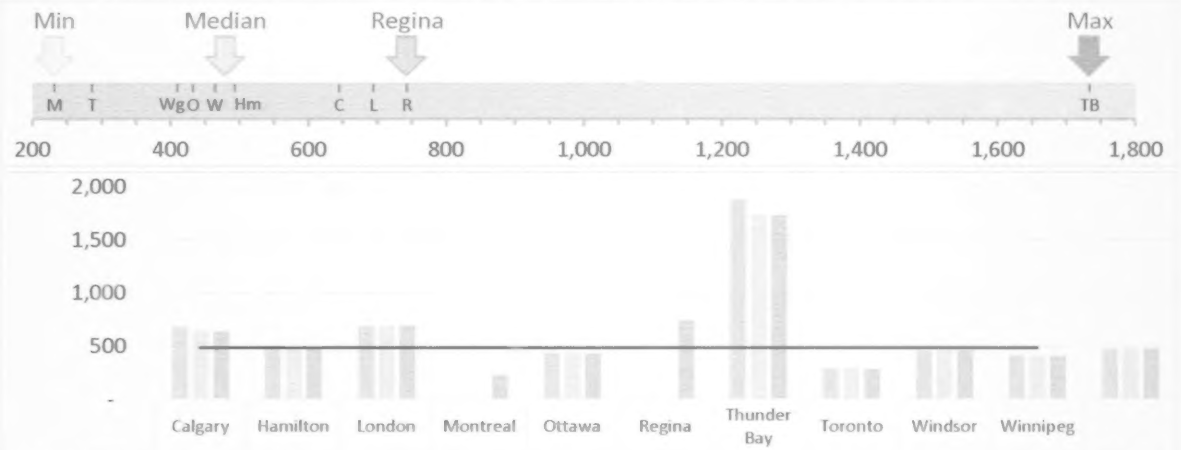
Hectares of Natural Parkland in Municipality per 100,000 Population*



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg	
2013	361	230	404	-	206	-	1,602	133	203	151	218
2014	366	229	407	-	205	-	1,478	131	204	150	217
2015	353	226	410	107	206	68	1,478	131	204	149	205
Median											

** Excludes Wascana Park*

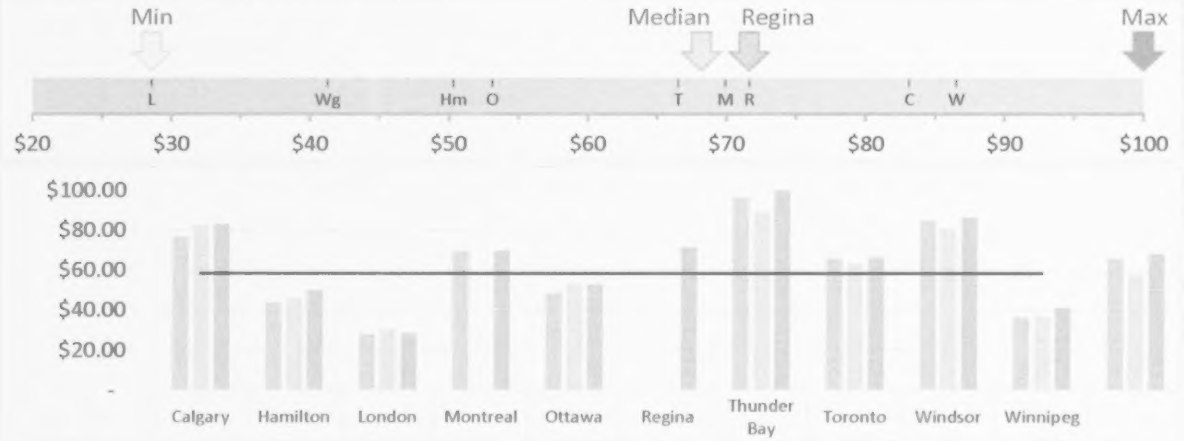
Hectares of Maintained and Natural Parkland in Municipality per 100,000 Population*



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg	
2013	680	499	685	-	435	-	1,880	292	454	418	477
2014	657	497	690	-	434	-	1,733	288	464	412	481
2015	645	493	694	231	432	743	1,733	286	464	410	479
Median											

** Excludes Wascana Park*

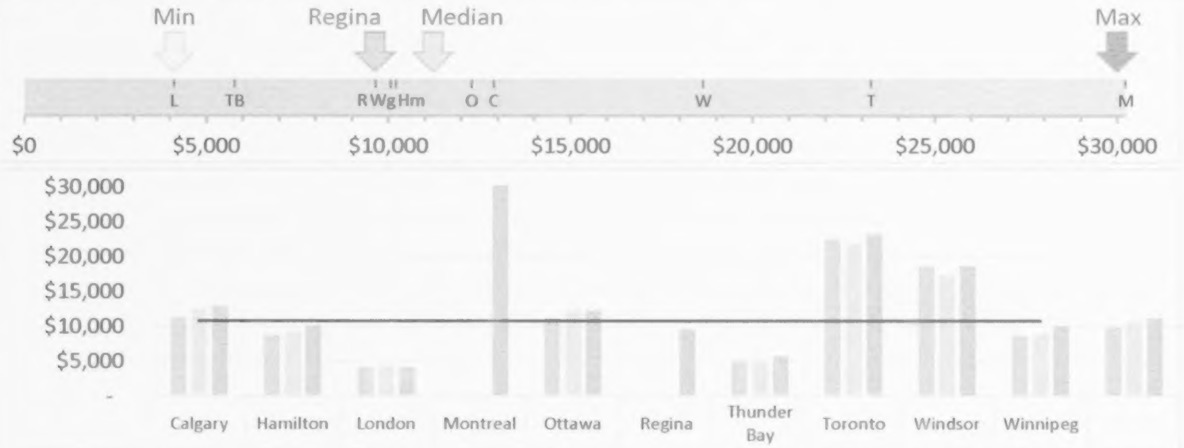
Operating Cost of Parks per Person*



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg	
2013	$76.98	$43.76	$28.10	$69.75	$48.49	-	$96.43	$66.04	$84.77	$36.26	$66.04
2014	$82.72	$45.93	$30.39	-	$53.25	-	$89.24	$63.49	$80.72	$36.88	$58.37
2015	$83.14	$50.32	$28.58	$69.89	$53.11	$71.63	$100.16	$66.52	$86.53	$41.25	$68.21
Median											

** Excludes Wascana Park*

Operating Cost per Hectare of Maintained and Natural Parkland*



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg	
2013	$11,314	$8,769	$4,103	-	$11,145	-	$5,127	$22,532	$18,662	$8,680	$9,957
2014	$12,594	$9,238	$4,408	-	$12,258	-	$5,146	$21,897	$17,387	$8,947	$10,748
2015	$12,897	$10,199	$4,117	$30,227	$12,284	$9,642	$5,776	$23,240	$18,639	$10,062	$11,241
Median											

** Excludes Wascana Park*

Payroll

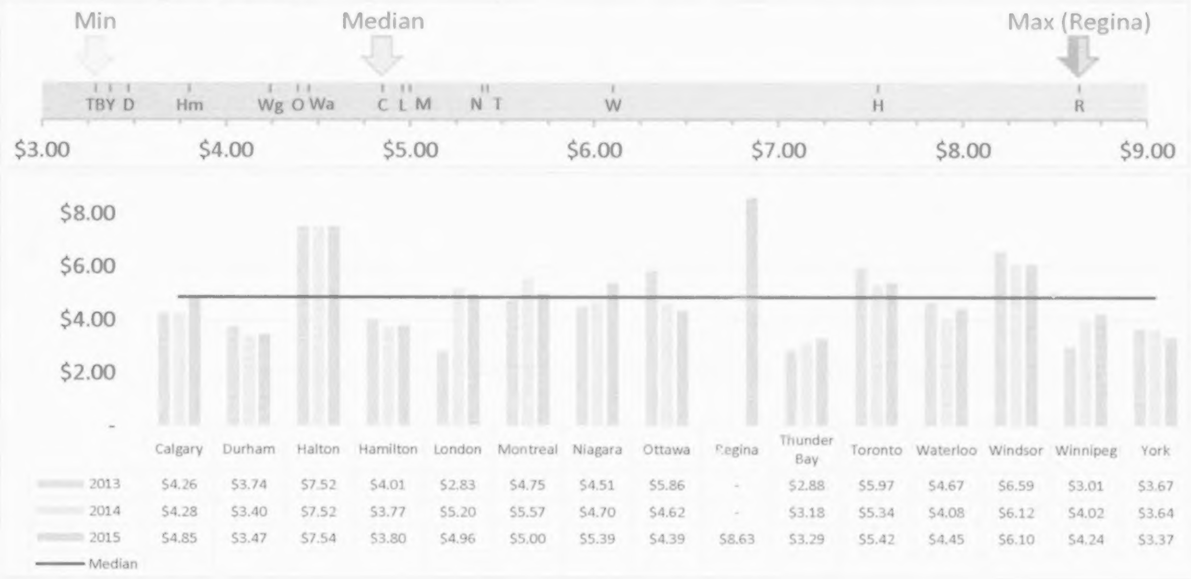
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Payroll Service, keep in mind the following influencing factors:

- **Organizational Form: Centralized vs. Decentralized.** Costs related to time and data entry have been excluded for comparability. Any costs associated with benefits administration and employee master data maintenance have been excluded from these results and are included in those of Human Resources.
- **Policy and Practices:** In-house vs. external contracted out services, and differences in payroll structure and responsibilities.
- **Processes and Systems:** Differences in the number of pay periods (i.e. weekly vs. bi-weekly, etc.); Multiple pay schedules for various groups within the organization; Number of manual cheques issued for adjustments and reversals and/or multiple direct deposits and payments and/or adjustments made under separate advice.
- **Staff Mix:** Salary vs. hourly rate and/or part-time vs. full time complement and the corresponding demand for support.
- **Unionization:** The number of unions, union contract settlements resulting in retroactive payments, complexity of the Collective Bargaining Agreement terms, and Corporate Policies may be a factor in the creation of replacement payments and demand for service.

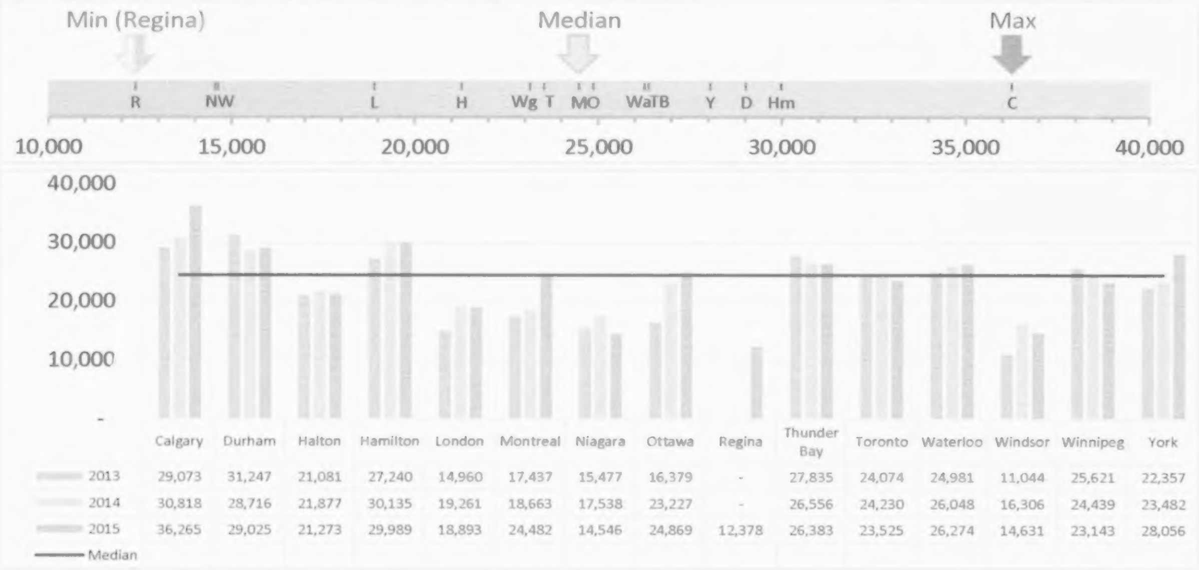
Results

Operating Cost per Payroll Direct Deposit or Cheque



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$4.26	$3.74	$7.52	$4.01	$2.83	$4.75	$4.51	$5.86	-	$2.88	$5.97	$4.67	$6.59	$3.01	$3.67
2014	$4.28	$3.40	$7.52	$3.77	$5.20	$5.57	$4.70	$4.62	-	$3.18	$5.34	$4.08	$6.12	$4.02	$3.64
2015	$4.85	$3.47	$7.54	$3.80	$4.96	$5.00	$5.39	$4.39	$8.63	$3.29	$5.42	$4.45	$6.10	$4.24	$3.37

Number of Payroll Direct Deposits and Cheques per Finance Payroll FTE



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	29,073	31,247	21,081	27,240	14,960	17,437	15,477	16,379	-	27,835	24,074	24,981	11,044	25,621	22,357
2014	30,818	28,716	21,877	30,135	19,261	18,663	17,538	23,227	-	26,556	24,230	26,048	16,306	24,439	23,482
2015	36,265	29,025	21,273	29,989	18,893	24,482	14,546	24,869	12,378	26,383	23,525	26,274	14,631	23,143	28,056

Taxation

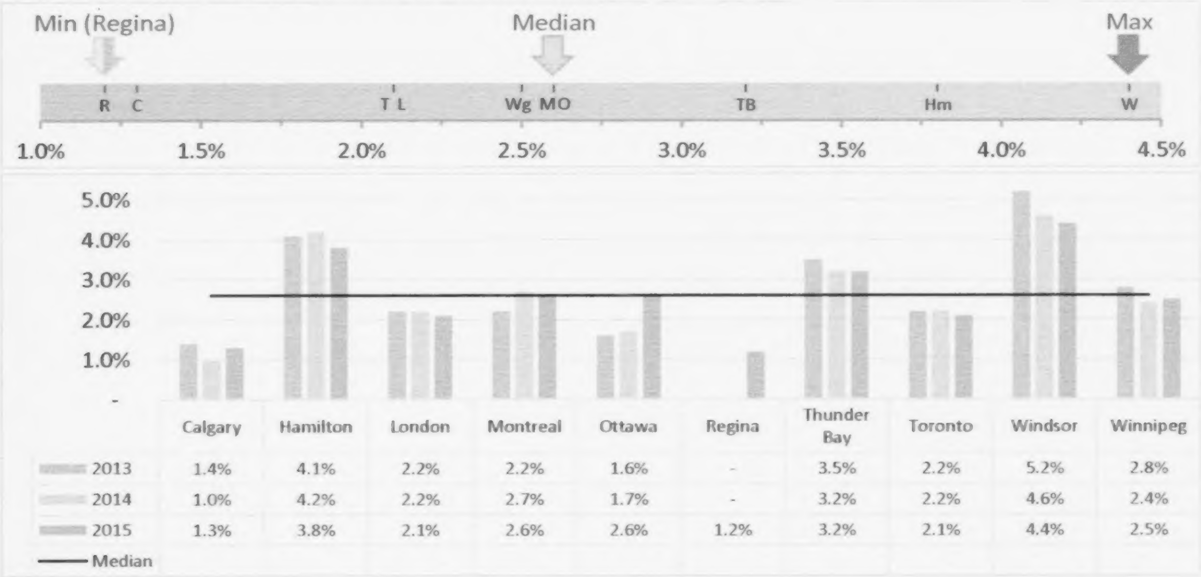
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Taxation Service, keep in mind the following influencing factors:

- **Economic Conditions:** High growth municipalities may require additional billing processes, i.e. supplementary and omit bills, interim and final runs. The strength of a local economy may also impact tax arrears, collections, penalty and interest charges.
- **Government Policy:** Ministry required standardized billing and changes in capping methodology requires municipalities to continually upgrade software systems to maintain compliance with legislation.
- **Local Economy:** Local conditions may influence measures related to receivables, collections and others.
- **Policies and Practices:** Differences in how each municipality defines a bill, administration of pre-authorized payment plans, internet-based payment options, collection processes; and the number and treatment of Payment in Lieu (PIL) accounts.

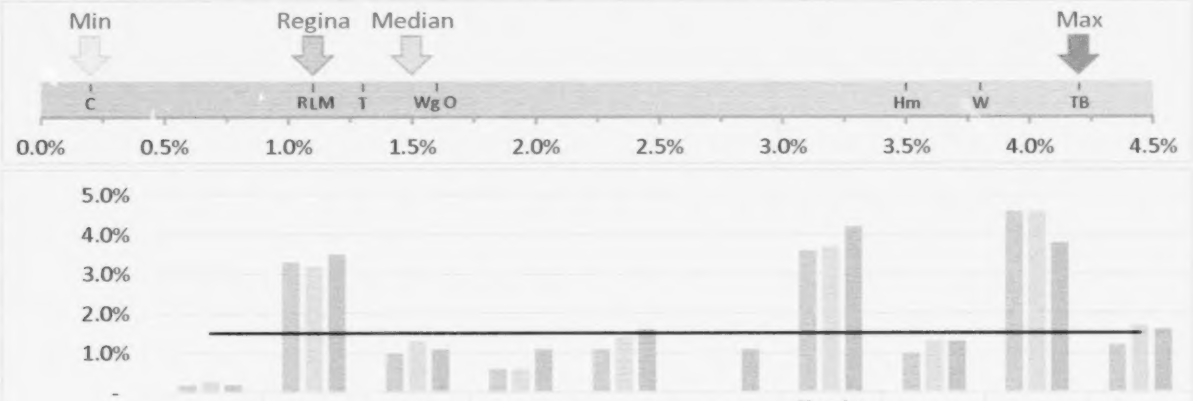
Results

Current Year's Tax Arrears as a Percent of Current Year Levy



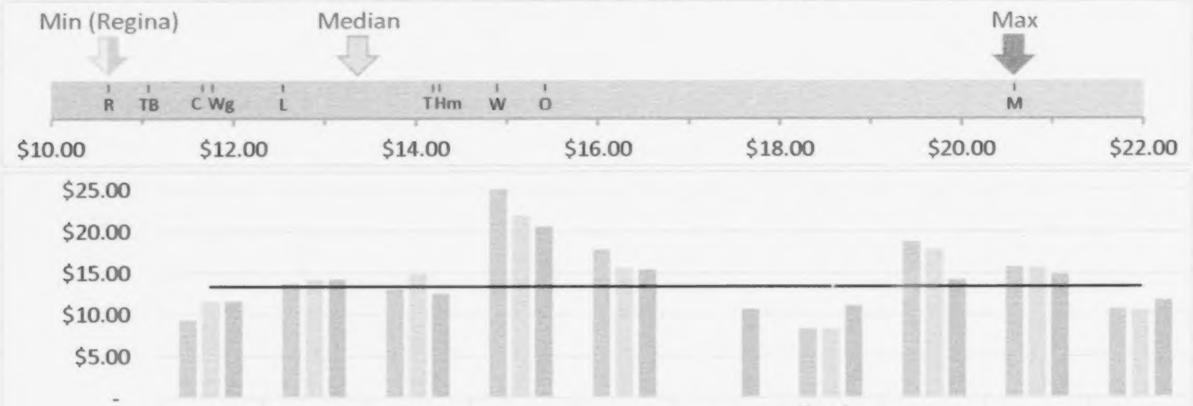
	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	1.4%	4.1%	2.2%	2.2%	1.6%	-	3.5%	2.2%	5.2%	2.8%
2014	1.0%	4.2%	2.2%	2.7%	1.7%	-	3.2%	2.2%	4.6%	2.4%
2015	1.3%	3.8%	2.1%	2.6%	2.6%	1.2%	3.2%	2.1%	4.4%	2.5%
Median										

Percent of Prior Year's Tax Arrears NOT Collected in the Current Year as a Percent of the Current Year Levy



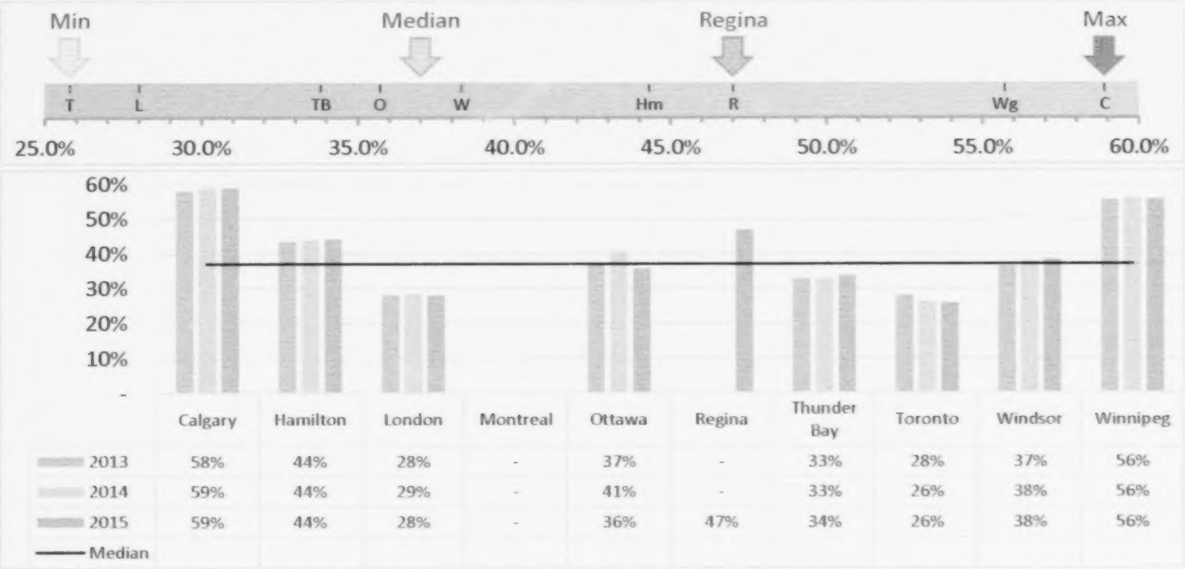
	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	0.2%	3.3%	1.0%	0.6%	1.1%	-	3.6%	1.0%	4.6%	1.2%
2014	0.3%	3.2%	1.3%	0.6%	1.4%	-	3.7%	1.3%	4.6%	1.7%
2015	0.2%	3.5%	1.1%	1.1%	1.6%	1.1%	4.2%	1.3%	3.8%	1.6%
—— Median										

Operating Cost to Maintain Property Tax Accounts per Property Tax Account Served



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	$9.37	$13.74	$13.06	$25.09	$17.87	-	$8.30	$18.77	$15.78	$10.72
2014	$11.59	$14.20	$14.98	$21.93	$15.63	-	$8.27	$17.87	$15.62	$10.57
2015	$11.66	$14.26	$12.54	$20.58	$15.42	$10.63	$11.07	$14.19	$14.89	$11.77
—— Median										

Percent of Accounts (all Classes) Enrolled in a Pre-Authorized Payment Plan



	Calgary	Hamilton	London	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Windsor	Winnipeg
2013	58%	44%	28%	-	37%	-	33%	28%	37%	56%
2014	59%	44%	29%	-	41%	-	33%	26%	38%	56%
2015	59%	44%	28%	-	36%	47%	34%	26%	38%	56%
Median										

Transit

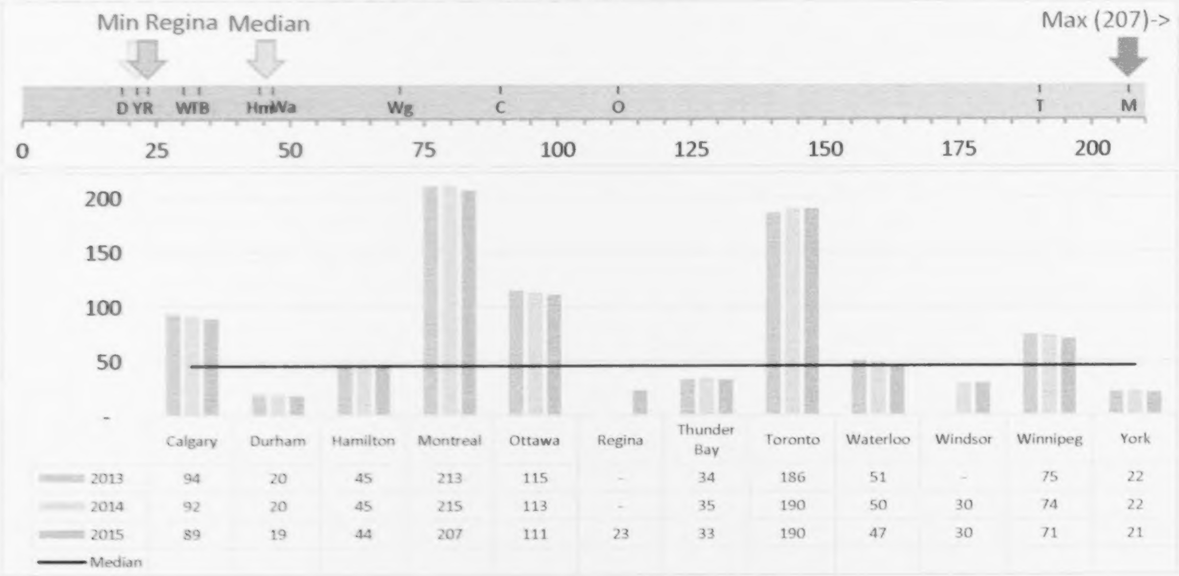
Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Transit Service, keep in mind the following influencing factors:

- **Demographics:** Average household income, auto ownership rates, age of population and communities with higher immigrant levels impact transit market share.
- **Economic Conditions:** Fare increases, fluctuations in commodity and energy prices, foreign exchange rates, magnitude of external contracting and contractual obligations with labour.
- **Environmental Factors:** Such as topography and climate.
- **Nature of Transit:** Diversity and number of routes, proximity and frequency of service, service coverage and hours of operation, automated fare systems, GPS, advance and delay traffic signals and the use of dedicated bus lanes. Subway systems can involve much more costly infrastructure to be maintained.
- **Non-Residents:** Catchment area for transit riders may extend beyond municipal boundaries.
- **Size of Service Area:** Higher costs per capita to service large geographic areas with small populations. Higher density development corridors and contiguous development contribute to a lower cost per capita. Service and costs are also affected by type of development, topography, density and total population.
- **Transit System and Vehicles:** Loading standards of vehicles, composition of fleet (bus, subway or LRT), diesel versus natural gas, high floor versus low floor accessible and age of fleet.

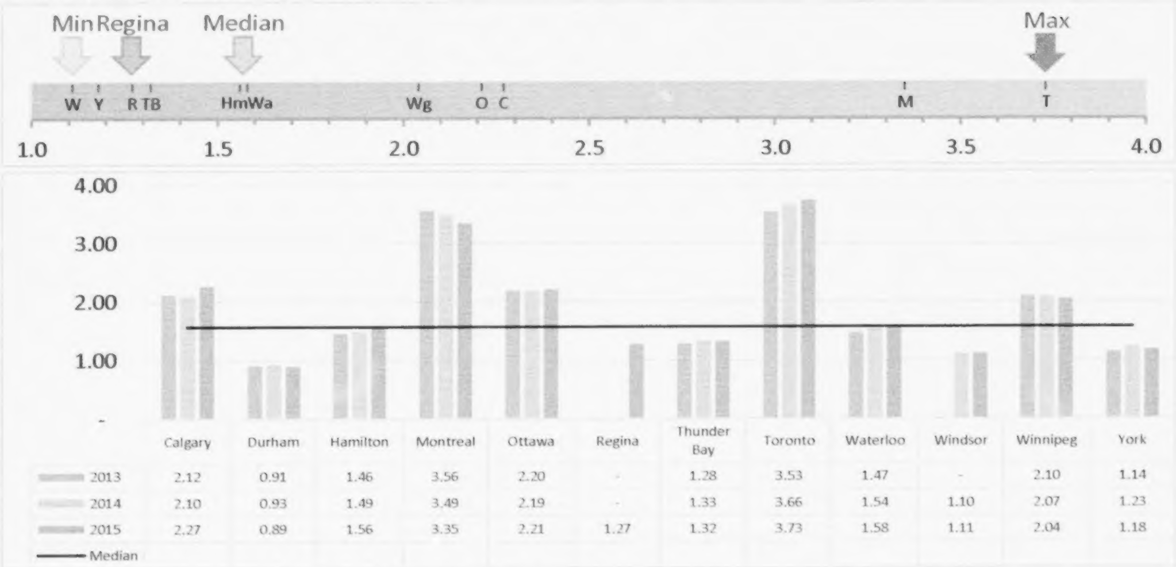
Results

Number of Regular Service Passenger Trips per Capita in Service Area



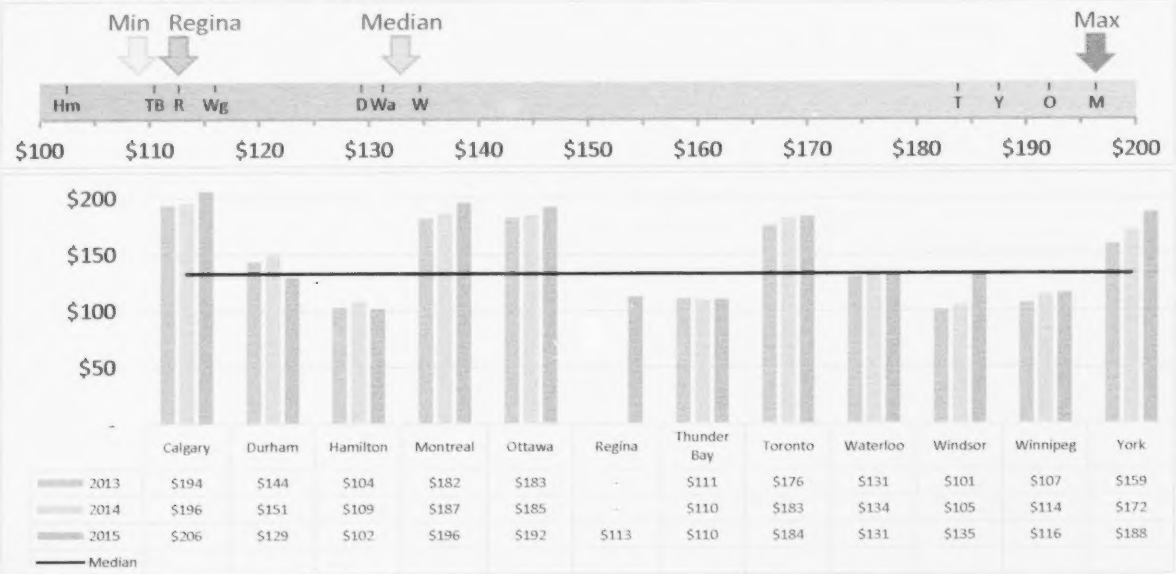
	Calgary	Durham	Hamilton	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	94	20	45	213	115	-	34	186	51	-	75	22
2014	92	20	45	215	113	-	35	190	50	30	74	22
2015	89	19	44	207	111	23	33	190	47	30	71	21
Median												

Revenue Vehicle Hour per Capita in Service Area



	Calgary	Durham	Hamilton	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	2.12	0.91	1.46	3.56	2.20	-	1.28	3.53	1.47	-	2.10	1.14
2014	2.10	0.93	1.49	3.49	2.19	-	1.33	3.66	1.54	1.10	2.07	1.23
2015	2.27	0.89	1.56	3.35	2.21	1.27	1.32	3.73	1.58	1.11	2.04	1.18

Total Cost (Expenses) per Revenue Vehicle Hour



	Calgary	Durham	Hamilton	Montreal	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$194	$144	$104	$182	$183	-	$111	$176	$131	$101	$107	$159
2014	$196	$151	$109	$187	$185	-	$110	$183	$134	$105	$114	$172
2015	$206	$129	$102	$196	$192	$113	$110	$184	$131	$135	$116	$188

Waste Management

Influencing Factors

Influencing Factors can create variances in comparison data from year-to-year and municipality-to-municipality. For the Waste Management Service, keep in mind the following influencing factors:

General Overall Influencing Factors:

- **Type of Governance:** Services can be provided by a single tier of government or a two tier system (combination of Regional and Municipal service)
- **Program Design and Service Levels:** Different service levels and standards (in part due to budget limitations); differences in the age of their infrastructure and equipment; frequency of pick-ups; hours of operations; average number of people per household; residential vs. commercial and industrial service; single stream waste collection vs. co-collection program; number and types of materials collected; bag limits; special programs
- **Urban Form**: Urban/rural population, seasonal population, socio-economic factor, and the mix of single-family residences and multi-unit residential buildings that impact service provision
- **Demographics:** Differences in socio-demographic composition that requires different service needs, i.e. aging population, diversity
- **Climate**: Impacts the management of waste collected, disposed and diverted (all streams)
- **Distance:** To processing, disposal and/or transfer facilities; transfer facilities to disposal sites and accessibility to local landfill sites with available capacity; processing markets
- **Service Provisions:** Reliance on private contractors; transfer disposal and operations; public and private sector
- **Economy:** Impacts on waste generation rates, market values of materials, expenses (i.e. contract values), etc. NB: All municipalities experienced a decrease in commodity revenues in 2009.
- **Contractual:** Age of contract, fuel provisions, collective agreements

Waste Collection

- **Diversion Efforts:** The nature and extent of a municipality's diversion efforts including the enforcement of the program, impacts the type and amount of material included in waste collection
- **Complaints:** Definition of complaint vs. an enquiry; who receives the complaint (upper tier vs. local municipality, vs. local contractor); changes in service and weather conditions which impede service
- **Size of Service Area:** Density (stops per km); geographical size of service area

Waste Transfer and Disposal

- **Diversion Efforts:** The nature and extent of a municipality's diversion efforts
- **Sites:** Number of active landfill sites, soil conditions on the landfill site and surrounding sites and number of sites under perpetual care
- **Competition:** Presence of competitive markets
- **Disposal Options:** Availability of landfill, incineration (energy from waste) options, export
- **Complaints:** Definition of complaint vs. an enquiry, who receives the complaint (upper tier vs. local municipality, vs. local contractor), adjacent land uses to transfer or disposal sites

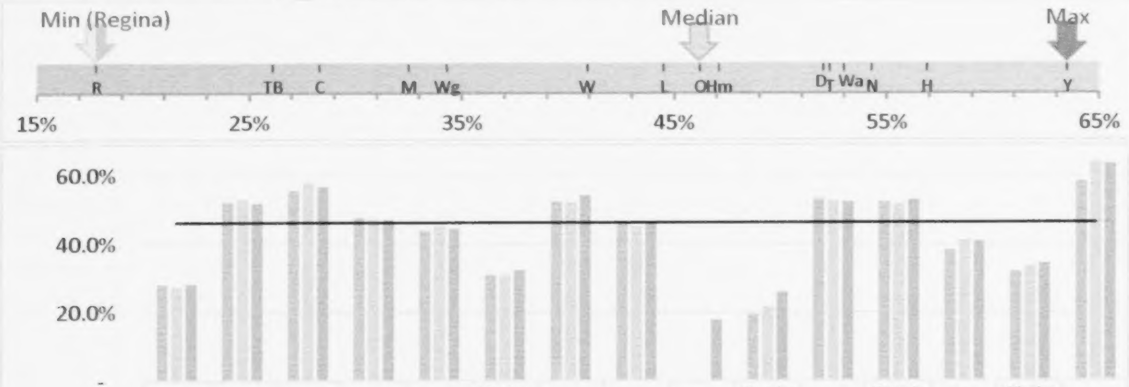
Waste Diversion

- **Markets:** Availability, demand, pricing, quality and influences of external programs
- **Promotion:** The effort expended on promotion of diversion programs, the level of public participation and influences of external programs
- **Incentives**: Partial or full user pay programs for waste collection and increased disposal fees can result in increases in diversion

- **Enforcement:** The effort expended on the enforcement of the diversion programs
- **Stewardship**: Mandated best practices and associated funding; designation of new materials, i.e. WDO, WEEE, MHSW

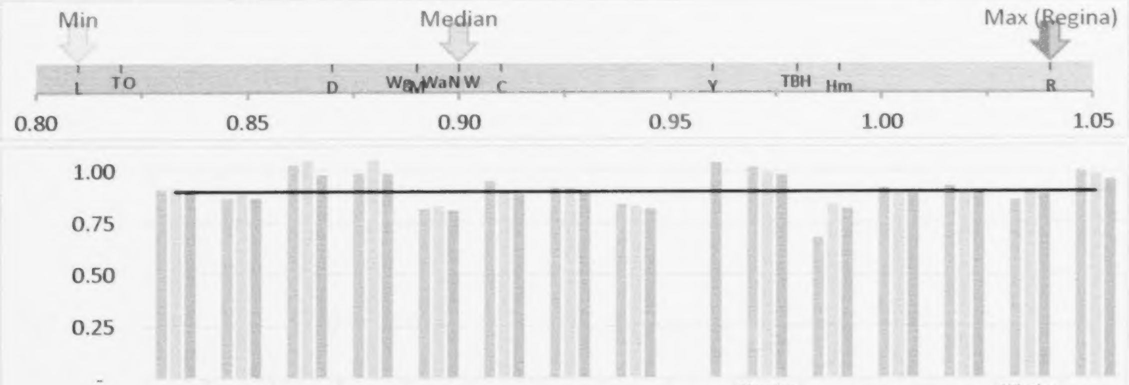
Results

Percent of Residential Solid Waste Diverted – Single and Multi-Residential



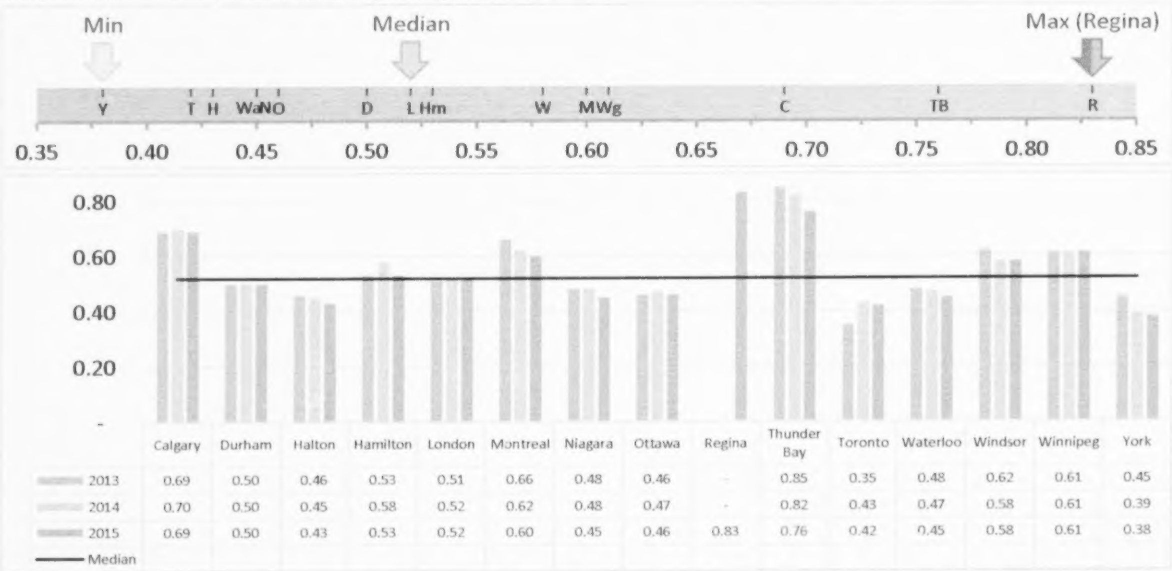
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	28.2%	52.3%	55.8%	47.8%	44.1%	31.0%	52.5%	46.4%	-	19.5%	53.3%	52.3%	38.3%	32.0%	58.4%
2014	27.5%	53.2%	58.2%	47.3%	45.4%	30.9%	52.4%	45.0%	-	21.8%	52.7%	51.7%	41.1%	33.6%	64.2%
2015	28.3%	52.0%	56.9%	47.1%	44.5%	32.5%	54.3%	46.2%	17.8%	26.1%	52.3%	53.0%	40.9%	34.3%	63.5%
Median															

Tonnes of all Residential Material Collected per Household



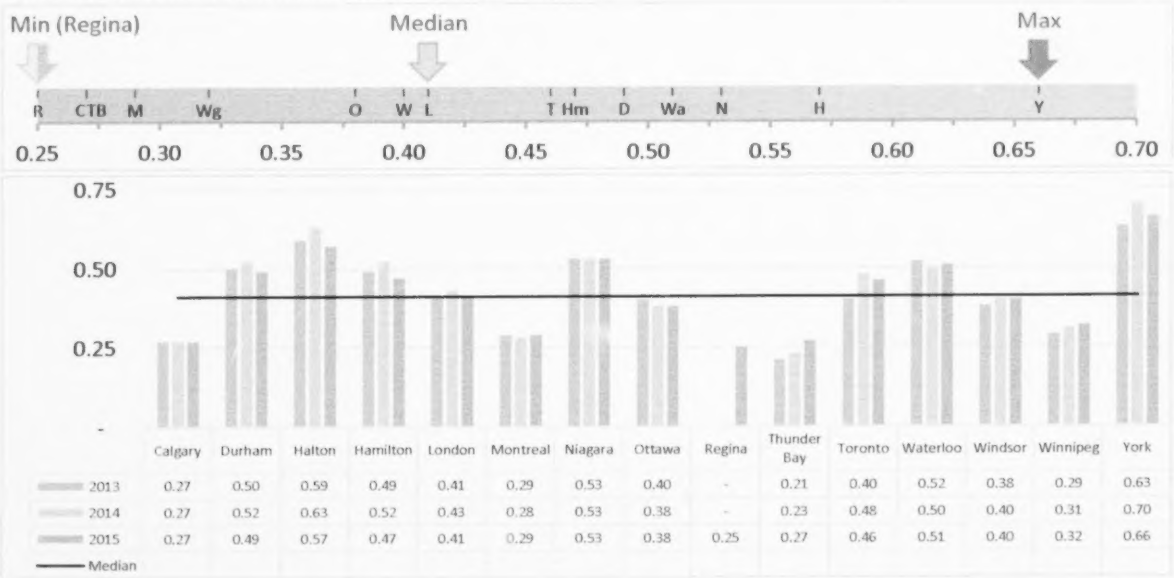
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	0.91	0.87	1.03	0.99	0.82	0.95	0.92	0.84	-	1.02	0.68	0.92	0.93	0.86	1.00
2014	0.92	0.89	1.05	1.08	0.83	0.90	0.92	0.83	-	1.00	0.84	0.89	0.90	0.90	0.99
2015	0.91	0.87	0.98	0.99	0.81	0.89	0.90	0.82	1.04	0.98	0.82	0.89	0.90	0.89	0.96
Median															

Tonnes of Residential Solid Waste Disposed per Household



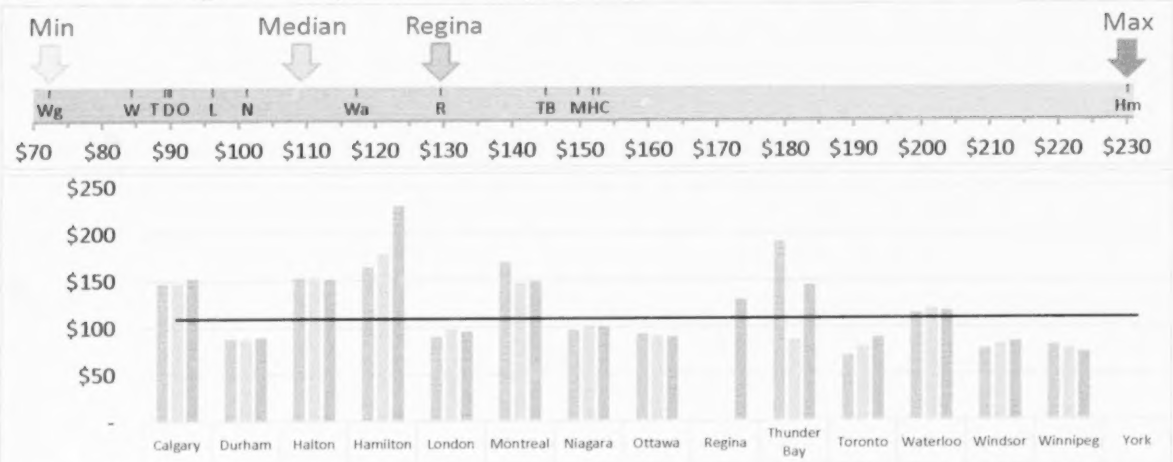
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	0.69	0.50	0.46	0.53	0.51	0.66	0.48	0.46	-	0.85	0.35	0.48	0.62	0.61	0.45
2014	0.70	0.50	0.45	0.58	0.52	0.62	0.48	0.47	-	0.82	0.43	0.47	0.58	0.61	0.39
2015	0.69	0.50	0.43	0.53	0.52	0.60	0.45	0.46	0.83	0.76	0.42	0.45	0.58	0.61	0.38

Tonnes of Residential Solid Waste Diverted per Household



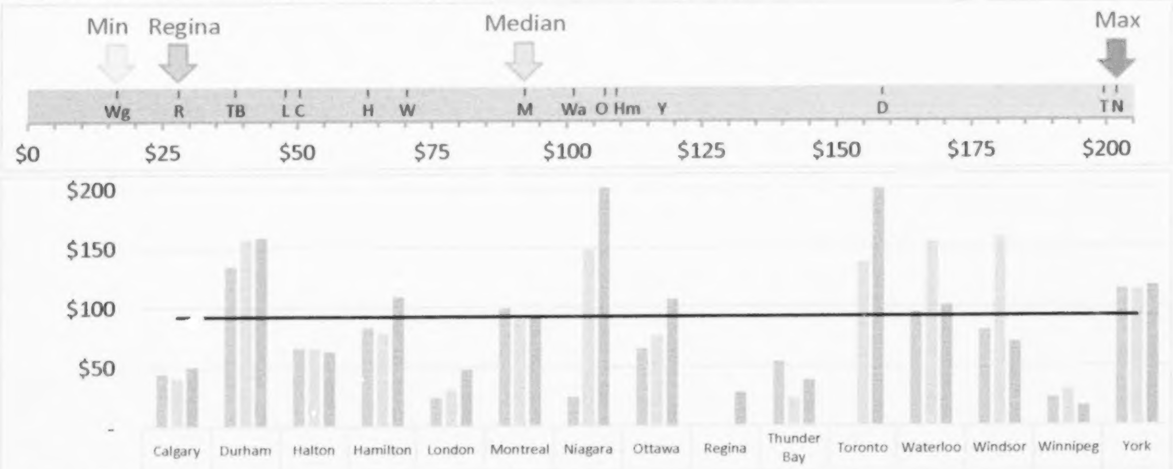
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	0.27	0.50	0.59	0.49	0.41	0.29	0.53	0.40	-	0.21	0.40	0.52	0.38	0.29	0.63
2014	0.27	0.52	0.63	0.52	0.43	0.28	0.53	0.38	-	0.23	0.48	0.50	0.40	0.31	0.70
2015	0.27	0.49	0.57	0.47	0.41	0.29	0.53	0.38	0.25	0.27	0.46	0.51	0.40	0.32	0.66

Total Cost for Garbage Collection per Tonne – All Property Classes



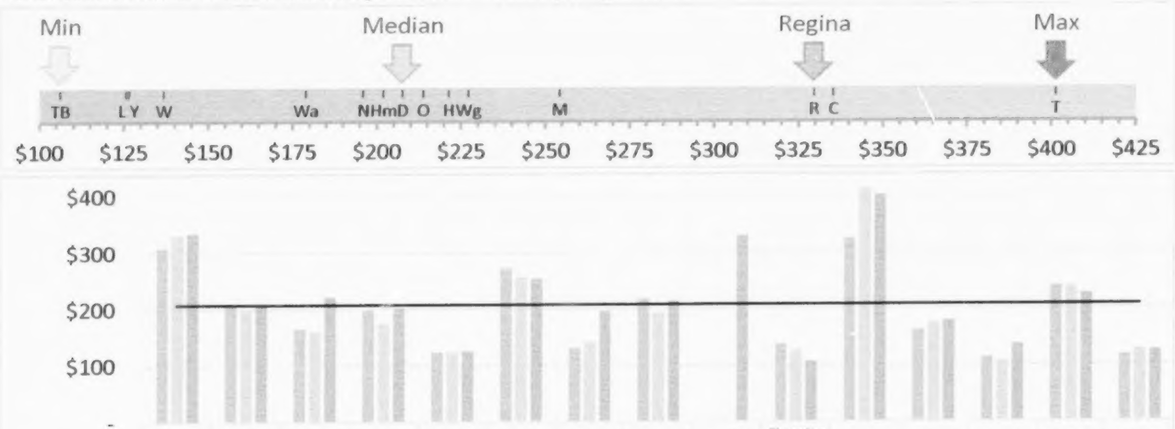
	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$147	$88	$153	$165	$91	$170	$97	$93	-	$192	$69	$115	$77	$80	-
2014	$148	$88	$153	$180	$98	$147	$102	$91	-	$87	$79	$120	$82	$76	-
2015	$153	$90	$152	$230	$96	$150	$101	$90	$130	$145	$89	$117	$84	$72	-
Median															

Total Cost for Solid Waste (All Streams) Disposal per Tonne – All Property Classes



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$44	$135	$66	$83	$24	$99	$25	$65	-	$54	-	$95	$80	$24	$115
2014	$41	$157	$66	$79	$30	$90	$149	$76	-	$23	$138	$155	$159	$31	$114
2015	$50	$159	$63	$109	$48	$92	$202	$107	$28	$38	$200	$101	$70	$17	$118
Median															

Total Cost for Solid Waste Diversion per Tonne – All Property Classes



	Calgary	Durham	Halton	Hamilton	London	Montreal	Niagara	Ottawa	Regina	Thunder Bay	Toronto	Waterloo	Windsor	Winnipeg	York
2013	$309	$205	$167	$199	$124	$273	$131	$218	-	$138	$325	$162	$113	$240	$119
2014	$332	$199	$159	$175	$123	$257	$142	$194	-	$126	$413	$175	$108	$238	$128
2015	$335	$208	$221	$202	$126	$254	$196	$214	$330	$106	$401	$179	$137	$227	$126
Median															

Appendix 2 – Service Partner Contact Information

Economic Development Regina

255, 1919 Rose Street
Regina, Saskatchewan S4P 3P1
Fax: 306-352-1630
Phone: 306-522-0227
Contact: Mr. John Lee

Regina Downtown

140 – 2401 Saskatchewan Drive
Regina, Saskatchewan S4P 4H8
Fax: 306-359-9060
Phone: 306-359-7541
Contact: Ms. Judith Veresuk

Buffalo Pound Water Treatment Corporation

c/o City of Regina
Queen Elizabeth II Court
PO Box 1790
Regina, Saskatchewan S4P 3C8
Fax: 306-694-6050
Phone: 306-694-1377
Contact: Mr. Ryan Johnson

Regina's Warehouse Business Improvement District

202 – 1275 Broad Street
Regina, Saskatchewan S4R 1Y2
Fax: 306-585-1765
Phone: 306-585-3948
Contact: Ms. Sandy Doran

Regina Public Library

2311 – 12th Avenue
PO Box 2311
Regina, Saskatchewan S4P 3Z5
Fax: 306-352-5550
Phone: 306-777-6060
Contact: Ms. Gail Kruger

Regina Exhibition Association Limited

PO Box 167
1700 Elphinstone Street
Regina, Saskatchewan S4P 2Z6
Fax: 306-565-3443
Phone: 306-781-9200
Contact: Ms. Denise Wanner

Appendix 3 – Glossary of Terms

Accrued Benefit Obligation: the present value of the expected payouts for benefits which employees have earned at year end. This amount is calculated by the City's actuaries every three years, and updated based on actual data between valuations.

Accrued Benefit Liability: the amount recorded in the Statement of Financial Position representing the present value of the expected payouts for benefits which employees have earned at year end, after allowing for the required smoothing of actuarial gains and losses. PSAS requires amortization of each actuarial gain or loss over the Expected Average Remaining Service Life of the employee group, at the time of the actuarial valuation. This net liability may be lower than the gross liability when actuarial losses exceed gains, or larger than the gross liability when gains exceed losses.

Accrual Accounting: the accrual basis of accounting recognizes revenues as they are earned and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay. This is also known as the full accrual basis of accounting. Prior to 2009, municipal governments did not capitalize tangible capital assets and recorded them as expenditures. This was the only exception to the accrual basis of accounting and therefore municipal accounting was previously referred to as the modified accrual basis of accounting.

Accumulated amortization: the sum of all amortization expensed on a given asset or asset class to-date.

Accumulated surplus: the difference between the City's financial and non-financial assets and its liabilities. The accumulated surplus represents the net financial and physical assets / resources available to provide future services. It is the sum of amounts invested in: tangible capital assets; the operating, capital, reserve and reserve funds; net of amounts to be recovered from future revenues.

Amortization expense: annual charge to expense to represent allocation of an asset's cost over its useful life.

Amounts to be recovered: the sum of items that have not been included in previous budgets and that will be recovered from future rates or taxes. Amounts to be recovered consist of outstanding debt, unfunded future employment costs, unfunded landfill post-closure costs, as well as unfunded environmental, property and liability claims.

Benchmarking: the measurement of the quality of an organization's policies, programs, services, etc., and their comparison with similar measurements of its peers. The objectives of benchmarking are (1) to determine what and where improvements are called for, (2) to analyze how other organizations achieve their high performance levels, and (3) to use this information to improve performance.

Brownfield development: undeveloped or previously developed properties that may be contaminated. These are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant.

Budget – operating/utility: an outline of the government's operating/utility revenue and expense plan for the upcoming year. The Operating/Utility Budget is formally presented early each year, and is subject to public consultation and debate prior to approval. The Operating/Utility Budget sets out the amount of taxes to be collected for the year, fees to be charged and authorized expenses.

Budget - capital: an outline of the government's capital revenue and expense plans for the upcoming year. It is the process of allocating resources for major capital projects, investment, and expenditures.

Business Improvement District (BID): A Business Improvement District is an association of commercial property owners and tenants within a defined districts who work in partnership with the City to create thriving, competitive, and safe business areas that attract shoppers, diners, tourists, and new businesses.

CPA Canada: Certified Professional Accountants Canada. CPA Canada conducts research into current business issues and supports the setting of accounting, auditing and assurance standards for business, not-for-profit organizations and government.

Consolidated statements: financial statements which include all of the entities controlled by the City.

Consolidation: inclusion of all entities controlled by the City, except for those which qualify as government business enterprises, on a line-by-line basis in the City's financial statements.

Contingent Liabilities: possible obligations that may result in the future sacrifice of economic benefits arising from existing conditions or situations involving uncertainty. The uncertainty will ultimately be resolved when one or more future events not wholly within the government's control occur or fail to occur. Resolution of the uncertainty will confirm the incurrence or non-incurrence of a liability.

Contra-account: an account in the financial records that offsets or reduces the balance of a related account. For example, Accumulated Amortization of an asset class is contra to the Tangible Capital Asset account for that same class.

Contractual Obligations: obligations of a government to others that will become liabilities when the terms of a contract or agreement are met.

Dashboard: a reporting tool that visually displays an organization's performance status on a collection of performance indicators. It provides decision makers with easily accessible information to inform decisions about service delivery and the performance of parts or the whole of an organization.

Debenture: a debt instrument where the issuer promises to pay interest and repay the principal by the maturity date. It is unsecured, meaning there is no lien on any specific asset.

Debt: a financial obligation to another entity from borrowing money.

Deferred revenue: amounts received regarding obligatory reserve funds or funds with other internal or external restrictions, which have remained unspent at year end. These amounts are shown with liabilities and are recognized in revenue when the revenues are earned, which may include spending the monies for their intended purpose.

Deficit: the amount, if any, by which government expenses exceed revenues in any given year. Unlike the senior levels of government, municipalities cannot budget to run a deficit.

Fair Value: the price that would be agreed upon in an arm's length transaction and in an open market between knowledgeable, willing parties who are under no compulsion to act. It is not the effect of a forced or liquidation sale.

Financial Assets: assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets include cash; an asset that is convertible to cash; a contractual right to receive cash or another financial asset from another party; a temporary or portfolio investment; and a financial claim on an outside organization or individual.

Fiscal Year: the City of Regina's fiscal year runs from January 1 to December 31.

GAAP: generally accepted accounting principles, as laid out in the relevant Handbook – the Public Sector Accounting Handbook for government organizations and the CPA Canada Handbook.

GAAS: generally accepted auditing standards. Standards established by Canadian Institute of Chartered Accountants (CICA) for use by public accountants when conducting external audits of the financial statements.

Government Business Enterprise (GBE): an organization that has all of the following characteristics: (1) it is a separate legal entity with the power to contract in its own name and that can sue and be sued; (2) it has been delegated the financial and operational authority to carry on a business; (3) it sells goods and services to individuals and organizations outside of the government reporting entity as its principal activity; and (4) it can, in the normal course of its operations, maintain its operations and meet its liabilities from revenues received from sources outside of the government reporting entity.

Greenfield development: New developments that occur on lands located at the city's periphery that have not previously been developed. New servicing such as roads, water and sewer are all requirements for greenfield development.

GST: Goods Sales Tax levied on goods and services by the federal government.

Indemnity: an agreement whereby one party agrees to compensate another party for any loss suffered by that party. The City can either seek or provide indemnification.

Infrastructure: the facilities, systems and equipment required to provide public services and support private sector economic activity including network infrastructure (e.g., roads, bridges, water and wastewater systems, large information technology systems), buildings (e.g., hospitals, schools, courts), and machinery and equipment (e.g., medical equipment, research equipment).

Key Performance Indicators (KPI): a set of quantifiable measures that an organization uses to gauge or compare performance in terms of meeting their strategic and operational goals.

Liabilities: are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits. These liabilities have three essential characteristics: (1) they embody a duty or responsibility to others, leaving a government little or no discretion to avoid settlement of the obligation; (2) the duty or responsibility to others entails settlement by future transfer or use of assets, provision of goods or services, or other form of economic settlement at a specified or determinable date, on occurrence of a specified event, or on demand; and (3) the transactions or events obligating the government have already occurred.

LTD: Long Term Disability.

Multi-employer Pension Plan: is a defined benefit pension plan to which two or more governments or government organizations contribute, usually pursuant to legislation or one or more collective bargaining agreements. The main distinguishing characteristic of a multi-employer plan is that the contributions by one participating entity are not segregated in a separate account or restricted to provide benefits only to employees of the entity and, thus may be used to provide benefits to employees of all participating entities.

Net Book Value of Tangible Capital Assets: historical cost of tangible capital assets less both the accumulated amortization and the amount of any write-downs.

Net Debt: the difference between the City's total liabilities and financial assets. It represents the City's future revenue requirements to pay for past transactions and events.

Non-Financial Assets: assets that normally do not generate cash capable of being used to repay existing debts. For the Province, it comprises tangible capital assets and net assets of broader public sector organizations.

Prepaid Expenses: Prepaid expenses are non-financial assets which result when payments are made in advance of the receipt of goods or services. Prepaid expenses may arise from payments for insurance premiums, leases, professional dues, memberships and subscriptions.

PSAS: the Public Sector Accounting Standards (PSAS) of CPA Canada sets standards and provides guidance for financial and other performance information reported by the public sector.

Present Value: the current worth of one or more future cash payments, determined by discounting the payments using a given rate of interest.

Realized Gains and Losses: gains/losses resulting from selling assets at a price higher/lower than the original purchase price.

Recognition: the process of including an item in the financial statements of an entity.

Reserves and reserve funds: fiscal and accounting entity segregated by Municipal Council for the purpose of carrying on specific activities or attaining certain objectives in accordance with internally or externally established restrictions or limitations.

RRI: The Regina Revitalization Initiative is the largest revitalization project in City of Regina's history begins with the construction of a new stadium at Evraz Place.

Service Agreement Fee: amounts collected from developers through Servicing Agreements entered into by the City and the Developer in respect of the development Area, which must be spent in a prescribed manner.

Standard & Poor's - S & P: The world's leading index provider and the foremost source of independent credit ratings. Standard & Poor's has been providing financial market intelligence to decision-makers for more than 150 years.

Straight-Line Basis of Amortization: a method whereby the annual amortization expense is computed by dividing (1) the historical cost of the asset less the residual value by (2) the number of years the asset is expected to be used.

Surplus: the amount by which revenues exceed expenses in any given year.

Tangible Capital Assets: physical assets including land, buildings, transportation and transit infrastructure, water & wastewater infrastructure, vehicles and equipment. These assets are recorded in the City's consolidated financial statements for the first time in 2009.

***The Cities Act 2002*:** the Statutes of Saskatchewan that outlines the broad permissive powers of the City of Regina to pass by-laws that range from public safety, to the City's economic, social and environmental wellbeing.

Total Debt: City's total borrowings outstanding.

Transfer Payments: grants or transfers of monies to individuals, organizations or other levels of government for which the government making the transfer does not receive any goods or services directly in return, as would occur in a purchase or sale transaction; expect to be repaid, as would be expected in a loan; or expect a financial return, as would be expected in an investment.

Unrealized Gain or Loss: an increase or decrease in the fair value of an asset accruing to the holder. Once the asset is disposed of or written off, the gain or loss is realized.

WCB: Workers' Compensation Board, Saskatchewan